

STATUS OF NSC ACTION 282

15 November 1950

Tab5

NSC Declassification/Release Instructions on File

TAB

COPI

EXECUTIVE OFFICE OF THE PRESIDENT
NATIONAL SECURITY RESOURCES BOARD
WASHINGTON 25, D. C.

2 February 1950

MEMORANDUM FOR THE EXECUTIVE SECRETARY, NATIONAL SECURITY COUNCIL

SUBJECT: Appraisal of Foreign Economic Intelligence Requirements,
Facilities and Arrangements Related to the National
Security

As resources mobilization planning progresses, it is increasingly evident to the participating agencies that the full effectiveness of many segments of such planning depends upon the ready availability of adequate, timely and correlated foreign economic intelligence.

This has proved, for example, to be the case in such fields as peacetime procurement and development for stockpiling; wartime procurement and development; foreign manpower; war trade agreements; export and import controls; economic assistance to potential allies and friendly neutrals, and other foreign requirements; preclusive buying; proclaimed listing; the control of foreign assets; economic capabilities and vulnerabilities of potential allies, neutral and enemy nations.

From the experience of the agencies associated in mobilization planning in recent months, it is now feasible to determine more clearly than previously the foreign economic intelligence requirements for further planning. Many of the studies completed or under way also provide a better means than previously available of testing the adequacy of current intelligence efforts. In the light of these developments, more effective evaluation of foreign economic intelligence for mobilization planning can now be made.

Another field where foreign economic intelligence is vital is that of the formulation of current policies and programs relating to the national security. Members of the National Security Council will readily appreciate the value of constantly seeking to improve the foreign economic intelligence relating to proposals considered by the council.

Intelligence activities with regard to mobilization planning and to current security policies and programs are intricately interrelated and at many points indistinguishable. Therefore, much can be said for covering both fields in a single undertaking.

Accordingly, the time seems opportune to reappraise our foreign economic intelligence requirements, facilities and arrangements as they relate to the national security, including mobilization planning. Such an appraisal would require central direction with appropriate interagency collaboration.

It is, therefore, proposed that the National Security Council direct the CIA, in collaboration with the Government agencies concerned:

1. To organize and conduct a study of
 - a. foreign economic intelligence requirements relating to the national security, including requirements for mobilization planning;
 - b. facilities and arrangements currently employed for meeting those requirements;
 - c. the adequacy of such facilities and arrangements; and where appropriate, means for their improvement.

2. Based on the findings of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned.

The staff of the NSRB has much information which would be of help in this undertaking, and will be available to assist in liaison and consultant capacities.

/s/ JOHN R. STEELMAN
JOHN R. STEELMAN

TAB

EXECUTIVE OFFICE OF THE PRESIDENT
NATIONAL SECURITY COUNCIL
WASHINGTON

March 3, 1950

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT : Appraisal of Foreign Economic Intelligence Requirements,
Facilities and Arrangements Related to the National Security

REFERENCE: Memo for NSC from Executive Secretary, same subject, dated
February 7, 1950

The National Security Council, the Secretary of the Treasury, and the Attorney General have approved the proposal by the Acting Chairman, National Security Resources Board, contained in the next-to-the-last paragraph of the enclosure to the reference memorandum on the subject.

The National Security Council accordingly directs the Central Intelligence Agency, in collaboration with the government agencies concerned:

1. To organize and conduct a study of
 - a. Foreign economic intelligence requirements relating to the national security, including requirements for mobilization planning;
 - b. Facilities and arrangements currently employed for meeting these requirements;
 - c. the adequacy of such facilities and arrangements; and, where appropriate, means for their improvement.

2. Based on the findings of this study, to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned.

(signed)

JAMES S. LAY, Jr.
Executive Secretary

TAB

CONFIDENTIALCONFIDENTIAL

9 November 1950

MEMORANDUM FOR RECORD

SUBJECT: Minutes of Meeting Held in Director's Conference Room,
Administration Building, Central Intelligence Agency, on
8 November 1950.

PRESENT

Mr. James Q. Reber, Central Intelligence Agency, Chairman
 Mr. Albert C. Cline, Department of Agriculture
 Mr. Clarence Purves, Department of Agriculture
 Mr. Sidney Smith, Civil Aeronautics Board
 Miss Dorothy Thomas, Civil Aeronautics Board
 Mr. Norman Towson, Department of Commerce
 Mr. Richard Tyner, Economic Cooperation Administration
 Mr. R. Henry Rowndtree, Export-Import Bank of Washington
 Mr. Marion Woodward, Federal Communications Commission
 Mr. Wendell Thorne, Federal Reserve System
 Mr. Richard Simonson, Federal Security Agency
 Mr. Allen Cleveland Phelps, Federal Trade Commission
 Mr. W. E. S. Flory, Department of Interior
 Mr. Arnold Zempel, Department of Labor
 Mr. Burton B. Adkinson, Library of Congress
 Mr. M. W. Knarr, Reconstruction Finance Corporation
 Mr. Louis Ballif, Tariff Commission
 Mr. G. A. Costanzo, Department of the Treasury
 Mr. Remington Kellogg, Smithsonian Institution
 Mr. W. C. Mohnkern, General Services Administration

140-3053

169-67

ALSO PRESENT

Mr. Hugh D. Farley, Assistant Executive Secretary, National
 Security Council
 Mr. Carroll S. Hinman, National Security Resources Board Staff
 [REDACTED] Central Intelligence Agency
 [REDACTED] Central Intelligence Agency
 [REDACTED] Central Intelligence Agency
 [REDACTED] Central Intelligence Agency

25X1A

25X1A

25X1A

Acting Secretary

[REDACTED]
Central Intelligence Agency**CONFIDENTIAL**CONFIDENTIAL

~~CONFIDENTIAL~~

CONFIDENTIAL

Economic Intelligence Requirements (Reference - "Foreign Economic Intelligence Requirements Relating to the National Security," dated 11 October 1950, prepared by CIA in pursuance of NSC directive).

1. Action:

25X1A

a. Agreed to submit comments on the requirements paper to [REDACTED] CIA, by 20 November 1950, as follows:

(1) Comments will be addressed:

25X1A

[REDACTED]
Central Intelligence Agency
Room 2051, M Bldg.
2430 E St., N. W.
Washington 25, D. C.

(2) Comments submitted will be informal, that is, they will be those of the agency representative rather than an approved agency position;

(3) Each representative will examine TABS B through E from the point of view of the particular needs of his own agency to determine whether the statements contained therein are valid and sufficiently comprehensive;

(4) Based on this determination each representative will submit suggestions for amplification, addition, or deletion, in the form either of amendments to existing annexes or of additional annexes;

(5) Each representative will return a copy of the requirements paper in which those items (sub-topics) in TABS B through E of primary importance to his agency have been marked with an asterisk, those of secondary importance are marked with two asterisks, and those of no importance are left unmarked; where area considerations enter into the selection of items of primary and secondary interest, qualifying notes may be furnished;

(6) If any representative wishes to make suggestions dealing with the paper proper (less tabs), he may, but such suggestions should be given secondary priority and should be kept distinct from the other comments submitted;

CONFIDENTIAL

~~CONFIDENTIAL~~

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

CONFIDENTIAL

(7) No comments are required to be made regarding TAB A.

b. CIA assumed the following responsibilities:

(1) In considering economic intelligence requirements, CIA will study and report upon the question of priorities to determine what treatment it is practicable and useful to give this question in connection with the present overall planning project;

(2) CIA will also study, consulting appropriate agencies, the problem of determining whether the requirements paper adequately covers the needs of such special agencies as may be established in time of full-scale war.

2. Discussion:

a. It was brought out that the NSC had directed CIA (1) to determine the needs for economic intelligence support which exist within the Government, in terms of the specific requirements of each agency; and (2), to identify and assess the adequacy of the facilities and arrangements currently employed for meeting these requirements, and to determine means for their improvement. Subsequently, CIA was to prepare for NSC consideration a comprehensive plan for satisfying requirements for economic intelligence support, and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned. All this work was to be done in collaboration with the agencies concerned. The CIA objective in processing the requirements paper (see reference) was to obtain collaboration in the compilation of overall economic intelligence requirements in terms of which specific agency needs might be expressed. The paper represented, therefore, one phase of the job of determining needs for economic intelligence support. The survey of economic facilities about which inquiries were made during the meeting, was intended, in part, to enable CIA better to identify specific agency needs, which eventually would be tied in with a revised requirements paper through being expressed in the terms of its captions. The survey also had the objective of enabling the identification of the facilities and arrangements currently employed for meeting requirements for economic intelligence support. As we completed the tie-in between the revised requirements paper and the proceeds of the survey, we should be ready to proceed with assessment and planning.

b. It was explained that the requirements paper was only a tool to be used in planning for the improvement of the economic intelligence machinery. There was no thought of sending the paper to the field or of any use of it at all other than to facilitate planning.

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

c. All were reminded that representatives should view the requirements paper from the angle of consumer need for the end products of intelligence, as well as from other possible angles such as that of an organization actually producing intelligence within the scope of the paper, or that of a producing organization requiring intelligence produced elsewhere as background for its own work. Agency needs were desired whether or not the particular agency maintained an intelligence organization, and consumer needs for intelligence support should be stated even if, until now, such needs had been unrecognized and unfulfilled.

d. CIA was currently making no assumption which would have the effect of narrowing the meaning of the phrase "relating to the national security," hence a free interpretation on the part of all concerned was in order. At later stages in the project, however, it might be found necessary to adopt a restrictive definition of the phrase.

e. The point was made that the scope of TAB A should not be allowed to confuse anyone as to the intent of the requirements paper, which should be looked at only from the economic point of view. For example, an operating agency which dealt in sociological matters should not be led to expect its requirements for intelligence support to be met through the present project.

f. It was explained that the project was designed to improve the machinery for the production of economic intelligence to meet the current situation. The situation which would prevail in the event of full-scale war would be foreseen and taken into account, but emphasis was being placed on the present.

- - - - -

CONFIDENTIAL

CONFIDENTIAL

~~CONFIDENTIAL~~

CONFIDENTIAL

IAC/SC-M-1

7 November 1950

STANDING COMMITTEE
OF THE
INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting Held in Director's
Conference Room, Administration Building
Central Intelligence Agency, on 7 November 1950

MEMBERS PRESENT

Mr. James Q. Reber, Central Intelligence Agency, Chairman
Mr. William C. Trueheart, Department of State
Mr. John F. Kullgren, Department of the Army, acting for
Colonel Hamilton Howze
Captain John M. Ocker, USN, Department of the Navy
Lieutenant Colonel J. C. Marchant, Department of the Air Force
Dr. Malcolm C. Henderson, Atomic Energy Commission
Captain R. G. McCool, USN, The Joint Staff
Mr. Meffert W. Kuhrtz, Department of Justice

72338

Present by Invitation

Mr. Philip E. Barringer, Office of the Secretary of Defense
Captain R. E. Lockwood, Munitions Board Staff
Mr. Charles S. Weaver, Research and Development Board Staff, acting
for Dr. S. D. Cornell

ALSO PRESENT

Mr. S. Everett Gleason, Deputy Executive Secretary, National
Security Council
Mr. Carroll S. Hinman, National Security Resources Board Staff
[REDACTED] Central Intelligence Agency
[REDACTED] Central Intelligence Agency
[REDACTED], Central Intelligence Agency
Mr. Henry Brodie, Department of State
Commander W. J. Bettens, Department of the Navy
Mr. Arthur L. Canfield, Department of the Air Force
Mr. Wallace Steen McCall, Department of the Air Force

25X1A

25X1A

Acting Secretary
[REDACTED]
Central Intelligence Agency

CONFIDENTIAL

IAC/SC-M-1

7 November 1950

~~CONFIDENTIAL~~

CONFIDENTIAL

CONFIDENTIAL

IAC/SC-M-1

7 November 1950

Economic Intelligence Requirements (Reference - "Foreign Economic Intelligence Requirements Relating to the National Security," dated 11 October 1950, prepared by CIA in pursuance of NSC directive).

1. Action:

25X1A

a. Agreed to submit comments on the requirements paper to [REDACTED] CIA, by 20 November 1950, as follows:

(1) Comments submitted will be informal, that is, they will be those of the agency representative rather than an approved agency position;

(2) Each representative will examine TABS B through E from the point of view of the particular needs of his own agency to determine whether the statements contained therein are valid and sufficiently comprehensive;

(3) Based on this determination each representative will submit suggestions for amplification, addition, or deletion, in the form either of amendments to existing annexes or of additional annexes;

(4) Each representative will return a copy of the requirements paper in which those items (sub-topics) in TABS B through E of primary importance to his agency have been marked with an asterisk, those of secondary importance are marked with two asterisks, and those of no importance are left unmarked; where area considerations enter into the selection of items of primary or secondary interest, qualifying notes may be furnished;

(5) If any representative wishes to make suggestions dealing with the paper proper (less tabs), he may, but such suggestions should be given secondary priority and should be kept distinct from the other comments submitted;

(6) No comments are required to be made regarding TAB A.

CONFIDENTIAL

IAC/SC-M-1

7 November 1950

CONFIDENTIAL

CONFIDENTIAL

CONFIDENTIAL

IAC/SC-M-1

7 November 1950

b. CIA assumed the following responsibilities:

(1) In considering economic intelligence requirements, CIA will study and report upon the question of priorities to determine what treatment it is practicable and useful to give this question in connection with the present overall planning project;

(2) CIA will also study, consulting appropriate agencies, the problem of determining whether the requirements paper adequately covers the needs of such special agencies as may be established in time of full-scale war.

2. Discussion:

a. It was explained that the requirements paper was only a tool to be used in planning for the improvement of the economic intelligence machinery. There was no thought of sending the paper to the field or of any use of it at all other than to facilitate planning.

b. All were reminded that representatives should view the requirements paper from the angle of consumer need for the end products of intelligence, as well as from other possible angles such as that of an organization actually producing intelligence within the scope of the paper, or that of a producing organization requiring intelligence produced elsewhere as background for its own work. Agency needs were desired whether or not the particular agency maintained an intelligence organization, and consumer needs for intelligence support should be stated even if, until now, such needs have been unrecognized and unfulfilled.

- - - - -

CONFIDENTIAL

IAC/SC-M-1

7 November 1950

CONFIDENTIAL

TAB

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

14 November 1950

MEMORANDUM FOR: Chief, COAPS
Chief, S/PP, O/RE
Chief, D/EC, O/RE
Chief, D/EE, O/RE
Chief, D/FE, O/RE

FROM : Assistant Director for Reports and Estimates



SUBJECT : Foreign Economic Intelligence Requirements Relating to the
National Security

1. Subject document has been circulated for review and comment to the IAC agencies and approximately twenty-two non-IAC agencies. Written comments resulting from this review are scheduled to be received in CIA on 20 November 1950. As a consequence of this action, CIA will be required to determine the extent to which such comments should govern the final version of subject document and prepare a final draft pursuant to paragraph 1a of NSC Action 282.

2. A task force consisting of the following personnel is therefore established to accomplish the CIA action on the subject document as indicated above:

25X1A

25X1A

 Chairman
 Member
Member
Member
Member
, USA, COAPS Observer

25X1A

3. The task force will make an initial review of the departmental comments and recommend to the AD/RE a feasible deadline for completion of its work. Members designated will serve full time until the required action has been completed.

25X1A


THEODORE BABBITT

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

TAB

5 July 1950

SPECIFICATIONS FOR A SURVEY
OF UNITED STATES GOVERNMENTAL AGENCIES
ENGAGED IN FOREIGN ECONOMIC ACTIVITIES

I. OBJECTIVE OF THE SURVEY: To provide a definitive analysis of the nature and extent of the total foreign economic activities of the United States Government for the purpose of determining:

1. What facilities and arrangements exist which are, or could be employed for the purpose of meeting the total foreign economic intelligence requirements of the government.

2. The extent to which such facilities and arrangements are adequate for the purpose stated in 1 above.

3. The extent to which such facilities and arrangements can be mobilized more effectively in support of the purpose stated in 1 above.

4. The extent to which additional facilities and arrangements must be provided, and if so, what kind, how large, where should they be established, to do what kind of job, under what policies, procedures, functional direction and control.

II. DEFINITIONS: The following definitions are set forth in order to clarify the objectives and intent of the survey.

1. Economic data are those falling within the categories listed in Appendix A.

CONFIDENTIAL

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

-2-

2. Foreign Economic Activities: are those which involve
 - a. The formulation of foreign economic policies.
 - b. The planning of foreign economic measures.
 - c. The execution of foreign economic measures.
 - d. Governmental assistance in the promotion of private import and export trade.
 - e. The production of reports and analyses of foreign economic data in support of the activities listed under 2 a, b, c, and d above.
 - f. The processing of foreign economic data for any of the above purposes including its collection, translation, cataloguing, indexing and filing, publication and dissemination.
 - g. The coordination of effort between agencies and departments on any phase of foreign economic activities as set forth above.
3. Facilities: are intended to include:
 - a. Organic units established within departments or agencies.
 - b. Interdepartmental ad hoc and permanent boards, committees, commissions, etc.
 - c. Governmental libraries, files, archives and other custodial facilities wherein foreign economic data may exist.
4. Arrangements: are intended to include:
 - a. Interdepartmental agreements including exchange of data and support services.

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

b. Interdepartmental coordinating responsibilities and mechanisms.

c. Governmental agreements, contractual or otherwise, with private individuals, corporations, academic institutions, or other private research organizations.

d. Governmental agreements with other foreign governments.

III. SCOPE OF THE SURVEY 1/

1. The identification of each component of the several governmental departments and agencies engaged in specified phases of foreign economic activity as defined in Section II above.

2. A statement of the specific mission, detailed functions, personnel qualifications and T/O strength of such components.

3. A detailed description of the sources, nature and scope of the kinds of foreign economic data processed by such components.

4. A detailed statement of the requirements of such components in terms of raw and processed foreign economic data for specified purposes.

5. A detailed description, by categories and frequency of issue, of the various types of foreign economic studies and reports produced by such components.

1/ It should be noted that the Scope of the Survey is limited at this stage to the collection and collation of the data required under paragraph 1b of NSC Action #282. The analytical phase leading toward fulfillment of objectives cited in Section I herein will proceed subsequent to formulation and coordination of foreign economic intelligence requirements.

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

6. A detailed statement of "arrangements" currently in effect by each component as defined in Paragraph 4 of Section II above.

7. Comments and recommendations pertaining to economic requirements and activities.

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

APPENDIX A

CATEGORIES OF ECONOMIC DATA

1. Economic Organization
2. Manpower and population (numbers; quality; health; education; facilities for improvement)
3. Food and agriculture
4. Fish and fish products
5. Forests and forest products
6. Mining and mineral products
7. Fuels
8. Electric power
9. Manufacturing
10. Transportation systems
11. Telecommunications systems
12. International trade and finance
13. Currency and banking
14. Government finance
15. National wealth and income
16. General economic indices

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

TAB

CONFIDENTIAL

26 October 1950

Mr. James W. Follin
Special Assistant to the Administrator
General Services Administration
Room 6121, General Services Building
Washington 25, D. C.

My dear Mr. Follin:

The National Security Council has directed the Central Intelligence Agency to organize and conduct a study of the foreign economic intelligence requirements of the Government of the United States relating to the national security, existing facilities and arrangements currently employed in meeting those requirements, ascertainment of the adequacy of such facilities and arrangements and, where appropriate, means for their improvement. The National Security Council directive is predicated on a proposal toward this objective by the National Security Resources Board. For your information I am attaching hereto a copy of the National Security Resources Board proposal on this subject and the consequent directive to this Agency from the Security Council. (Encl. A and B).

In objective fulfillment of the foregoing directives there have been prepared certain specifications seeking to ascertain the facilities and arrangements of the appropriate government agencies capable of satisfying the determined requirements. I am attaching a copy of these specifications. (Encl. C).

So as to enable the Central Intelligence Agency comprehensively to comply with the National Security Council directive, it is requested that the General Services Administration furnish this Agency the basic information delineated in part III of the attached specifications, entitled "Scope of Survey".

Your cooperation in assisting this Agency in fulfilling this assignment will be greatly appreciated.

Very truly yours,

s/s

25X1A

ENCLS: (3)
Encl. A
Encl. B
Encl. C

Chief, Liaison Division, OGD

CONFIDENTIAL

MISSING PAGE

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

ORIGINAL DOCUMENT MISSING PAGE(S):

Enclosure

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

AGRICULTURE, DEPARTMENT OF

Mr. Nathan Hoenig
Assistant to the Secretary
Department of Agriculture
Room 200, Agriculture Building
Washington 25, D. C.

CIVIL AERONAUTICS BOARD

Mr. D. W. Rostzel
Chairman
Civil Aeronautics Board
Room 3055, Commerce Department Building
Washington 25, D. C.

COMMERCE, DEPARTMENT OF

Mr. Bernard L. Gladieux
Executive Assistant to the Secretary
Department of Commerce
Room 5830, 14th & Constitution Avenue, N.W.
Washington 25, D. C.

ECONOMIC COOPERATION ADMINISTRATION

Mr. Richard M. Bissell, Jr.
Deputy Administrator
Economic Cooperation Administration
Room 508, 800 Connecticut Avenue, N.W.
Washington 25, D. C.

EXPORT-IMPORT BANK

Mr. Sidney Sherwood
Secretary
Export-Import Bank of Washington
734 15th Street, N. W.
Washington 25, D. C.

FEDERAL COMMUNICATIONS COMMISSION

Mr. George E. Sterling
Commissioner
Federal Communications Commission
Room 7249, New Post Office Building
Washington 25, D. C.

FEDERAL RESERVE BOARD

Mr. Thomas B. McCabe
Chairman, Board of Governors of
Federal Reserve System
Room 2046, Federal Reserve Building
Washington 25, D. C.

FEDERAL SECURITY AGENCY

Mr. Lee L. Miller
Executive Assistant
Federal Security Agency
Room 5674, 4th & Independence Avenue, S.W.
Washington 25, D. C.

FEDERAL TRADE COMMISSION

Mr. Richard P. Whitely
Director,
Bureau of Antideceptive Practices
Federal Trade Commission
Room 790, Federal Trade Building
Washington 25, D. C.

INTERIOR, DEPARTMENT OF

Mr. Girard C. Davidson
Assistant Secretary
Department of Interior
Room 6152, Department of Interior Building
Washington 25, D. C.

JUSTICE, DEPARTMENT OF

Mr. Michael J. Moran
Special Assistant to the Attorney General
Department of Justice
Room 4212, Department of Justice Building
Washington 25, D. C.

LABOR, DEPARTMENT OF

Mr. Phillip M. Hauser
Assistant Secretary of Labor
Department of Labor
Room 3104, 14th & Constitution Avenue, N.W.
Washington 25, D. C.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Mr. John W. Crowley, Jr.
Associate Director for Research
National Advisory Committee for Aeronautics
Room 602, 1724 F Street, N. W.
Washington 25, D. C.

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

NATIONAL ACADEMY OF SCIENCES

Mr. George D. Mold
Acting Executive Secretary
National Academy of Sciences
Room 222, 2101 Constitution Avenue, N.W.
Washington 25, D. C.

RECONSTRUCTION FINANCE CORPORATION

Mr. M. W. Emery
Assistant Secretary
Reconstruction Finance Corporation
Room 1162, 811 Vermont Avenue, N.W.
Washington 25, D. C.

TARIFF COMMISSION

Mr. Donn H. Bant
Acting Secretary,
U. S. Tariff Commission
Room 238
E Street between 7th & 8th Streets, N.W.
Washington 25, D. C.

TREASURY, DEPARTMENT OF

The Honorable
William McChesney Martin
Assistant Secretary of the Treasury
Department of Treasury
Washington 25, D. C.

SMITHSONIAN INSTITUTION

Dr. Alexander Wetmore
Secretary, Smithsonian Institution
Washington 25, D. C.

GENERAL SERVICES ADMINISTRATION

Mr. James W. Follis
Special Assistant to the Administrator
General Services Administration
Room 6121, General Services Building
Washington 25, D. C.

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

~~CONFIDENTIAL~~

TAB

~~SECRET~~

~~SECRET~~

CENTRAL INTELLIGENCE AGENCY
Washington 25, D. C.

FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS
RELATING TO THE NATIONAL SECURITY

11 October 1950

~~SECRET~~

~~SECRET~~
CENTRAL INTELLIGENCE AGENCY
Washington 25, D. C.

FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS
RELATING TO THE NATIONAL SECURITY

Table of Contents

	<u>Page</u>
PREFACE	1
ECONOMIC INFORMATION AND INTELLIGENCE REQUIRED BY THE US GOVERNMENT.	
I. <u>Economic Information.</u>	1
A. Introductory Statement.	
B. Collection and Processing Requirements.	
II. <u>Basic Economic Studies.</u>	2
A. Introductory Statement.	
B. Background Studies.	
C. Current Studies.	
III. <u>Operational Economic Intelligence in Support of Specific United States Measures and Courses of Action.</u>	5
A. Introductory Statement.	
B. Military Operations.	
C. Political Operations.	
D. Economic Operations.	
IV. <u>Estimates Designed to Serve Predominantly as a Basis for National Planning and Policy Decisions</u>	7
A. Introductory Statement.	
B. Estimates of the Economic Capabilities and Vulnerabilities of Foreign Countries, Singly or in Groups	
C. Estimates of the Effect of Economic Developments and Policies in Foreign Countries, Singly or in Groups	
D. Estimates of the Economic Consequences in Other Countries of United States Policies and Courses of Action	
SUPPLEMENT (Tabs A through E amplifying the subject matter)	

11 October 1950

FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS
RELATING TO THE NATIONAL SECURITY

Preface

I. THE PROBLEM L.T.

A. The National Security Council in NSC Action No. 282 has directed the Central Intelligence Agency, in collaboration with the government agencies concerned, to organize and conduct a study of:

1. Foreign economic intelligence requirements relating to the national security, including requirements for mobilization planning
2. Facilities and arrangements currently employed for meeting those requirements
3. The adequacy of such facilities and arrangements; and, where appropriate, means for their improvement.

In the light of this study, the Central Intelligence Agency is to prepare for Council consideration and action a comprehensive plan for satisfying the foreign economic intelligence requirements of the national security and for a coordinated interagency effort to this end based on a definite allocation of responsibilities among the agencies concerned.

B. The present paper is drawn to the first of the three NSC requests (Paragraph A, 1 above). It is being circulated to all agencies concerned

SECRET

in order that they may:

1. Amend or expand those requirements to the end that all vital fields of inquiry are covered and that no significant gaps exist.
2. Expand those specific categories of requirements falling within the fields of their primary responsibilities.
3. Full coordination with the agencies concerned will enable the Central Intelligence Agency to produce an agreed paper with respect to paragraph A, 1 above, which is necessary before the subsequent studies required by the remainder of the NSC directive can be completed.

II. BROAD OBJECTIVES AND PURPOSES OF ECONOMIC INTELLIGENCE

A. The broad objective of foreign intelligence as it relates to the national security is to keep the United States Government constantly informed of the intentions, capabilities, and vulnerabilities of other nations, and to provide the indispensable intelligence for planning and ^{and reviewing} executing policies and courses of action, including military operations. Adequate intelligence is necessary to reduce to a minimum the element of surprise in foreign situations.

This broad objective likewise embraces foreign economic intelligence. The purposes to be served by this intelligence are as numerous and varied as the many departments and agencies of the government which have responsibilities in the economic field.

SECRET

SECRET

26
III. EFFECT OF THE PRESENT WORLD SITUATION ON REQUIREMENTS FOR FOREIGN
ECONOMIC INTELLIGENCE

A. The gravest threat to the security of the United States and the free world within the foreseeable future stems from the hostile designs and formidable power of the USSR, and from the nature of the Soviet system. The resulting critical world situation dominates the United States intelligence effort and will continue to do so as long as the USSR refuses to respect the integrity of other nations.

B. At least for the immediate future, therefore, first priority should be given to those intelligence requirements which when fulfilled would support the following specific United States objectives:

1. Arresting Soviet accretions of power or influence.
2. Reducing Soviet-Satellite capabilities for:
 - a. Military and para-military action.
 - b. Expanding their joint and several economies.
 - c. Weakening, disrupting, and sabotaging economies in the free world.
3. Dividing the Soviet world and establishing its satellites as free and independent communities.
4. Altering Soviet objectives inimical to the United States and a free world.
5. Consolidating and expanding the non-Soviet world on terms favorable to the attainment of United States foreign objectives.

iii

SECRET

SECRET

6. Preparing the non-Soviet world for possible war with the Soviet world.

7. Implementing the principles of the United Nations charter.

IV. CONSIDERATIONS WHICH HAVE DETERMINED THE STRUCTURE OF THIS REPORT

A. While the present study has given full consideration to the overriding importance of the current East-West struggle, the statement of requirements which follows is sufficiently flexible to accommodate all problems posed by present circumstances as well as to meet changes in the world situation.

B. To meet the objectives and purposes of the intelligence effort, a full range of intelligence processes as indicated in the following Sections (I through IV) must be undertaken in order that the impact of intelligence can be brought to bear upon national planning, policies, and courses of action. Presentation of the intelligence requirements in terms of these processes as well as in terms of areas of intelligence interest should facilitate the further problems of studying the adequacy of governmental facilities and arrangements, and of allocating responsibilities among the agencies concerned for collection, processing, and production of finished intelligence.

C. For the sake of simplicity, the requirements are presented at each step in the following Sections (I through IV) as though economic intelligence operated throughout the intelligence process independently of other types of intelligence (political, military, psychological, etc.). Actually, however,

SECRET

economic intelligence frequently becomes integrated at various stages in a broader intelligence treatment of a given problem. In fact, the contributory role of economic intelligence, as a basis for sound composite national intelligence estimates, is one of its most important functions.

K. D. In view of the foregoing considerations, the economic intelligence requirements contained herein are organized under four main headings: I. Economic Information; II. Basic Economic Studies; III. Operational Economic Intelligence in Support of Specific United States Measures and Courses of Action; and IV. Estimates Designed Predominantly to Serve as a Basis for National Planning and Policy Decisions. The requirements are defined in terms of substance under each of these headings, and amplified in detail where appropriate in Tabs A through F of the Supplement attached hereto.

SECRET

SECRET

Economic Information and Intelligence Required
by the United States Government

I. ECONOMIC INFORMATION

A. Introductory Statement.

Foreign economic information is the raw material from which intelligence reports are produced. It is of the utmost importance to the production of finished intelligence for accurate and reliable information to be readily available at the time needed and in adequate amounts. A large part of this information is unclassified and readily available, awaiting only collection. The collection of economic information must be continuous and should embrace every phase of economic activity. Though much of it will not immediately be used, it must be readily available, because in the event of a national emergency collection is inevitably subject to complications and delays.

B. Collection and Processing Requirements.

The quality and quantity of foreign economic information available to the intelligence agencies depend especially upon the adequacy and effectiveness of the collecting and processing facilities of the United States Government. In the case of certain countries, special facilities are required to obtain information either because such information is not published at all or because a curtain has been drawn to prevent information from being acquired. In the case of many foreign countries, too, most of the economic information is available only in foreign languages, and a tremendous task

SECRET

SECRET

of translation is necessitated. Moreover, in order to provide ready access to information acquired, thorough cataloging is necessary. This cataloging may require only a title of the document and a brief description of contents; or the document may have to be cataloged under several kinds of subject headings with a considerable breakdown of the subject matter under each of the headings.

It is a vast problem for existing collection and processing facilities to cope with all of the information required on the many phases of economic activity in foreign countries. Priorities must therefore be established to give direction to the personnel charged with collection and processing. The priorities assigned to the collection, field evaluation, translation, cataloging, and other processing functions should be determined largely by the intelligence requirements for the major studies outlined in Sections III and IV of this report and also by the urgency of any current situation.

III. BASIC ECONOMIC STUDIES

A. Introductory Statement.

The problem of processing all of the economic information which United States agencies need and the difficulty of even collecting this information in time of emergency have been alluded to in Section I. Basic economic studies as outlined below would be designed to organize, analyze, and present widely scattered economic information about countries, areas, commodities, and functions in a manner that would be useful for immediate

~~SECRET~~

governmental needs in connection with policy-making, planning, and operations. As a body of reliable, evaluated, and collated information, these basic studies should be particularly useful in the preparation of the estimates outlined in Sections III and IV. The studies would be of two main types:

1. Background studies in the form of comprehensive descriptive and analytical surveys;
2. Current studies describing, analyzing, and evaluating recent developments and trends.

B. Background Studies.

1. Country or area studies.

These studies would assemble, organize, and evaluate available essential information about selected countries or geographic areas. They would thus be reliable reference works, providing background for the evaluation of current intelligence as well as for specific operations and the formulation of policy.

These studies would normally cover the following aspects of the economy of a particular country or area: general economic structure, general strategic supply position, agriculture, fisheries, forests and forest products, food, manpower, fuels and power, minerals and metals, manufacturing and processing industries, transportation, telecommunications, finance, and trade.

2. Commodity studies (world-wide by country).

Commodity studies would differ from country studies in two principal respects. First, they would present all essential information on specific commodities on a world-wide basis and thus permit comparisons to be drawn between the various regions of the world with respect to a

~~SECRET~~

SECRET

given commodity or industry. Second, they would develop in more detail than country studies such information on commodities as names, location, and ownership of mines and other producing facilities; specific grades and types of ore and other products; degree of technical development; transportation routes, etc. This detail, while not required in an analysis of a particular country, would be essential, for example, in the analysis of the world supply situation of a commodity when considered in relation to the strategic material requirements of the United States and its allies.

3. Functional studies.

In addition to the country and commodity studies outlined above, background studies are required on certain functional subjects such as telecommunications, transportation, international trade, international finance, and international economic organizations. These studies would provide detailed descriptions of the facilities in a particular country or area for carrying on a certain function, an appraisal of the adequacy of such facilities, and an estimate of their capabilities for operating to the benefit or detriment of other foreign countries and the United States.

6. Current Studies.

1. Country and area studies.

Such studies would analyze recent economic developments and trends within selected countries and areas. Specifically, they would be concerned with trends in national income, employment, production, prices and cost of living, balance of payments, and government

SECRET

They would also cover new developments indicative of important advances or serious setbacks in agriculture, mining, manufacturing, transportation, etc., and would appraise the probable effect of these developments upon the level of economic activity within the country or area under consideration. They would note changes in government policies or programs likely to facilitate or hamper production, trade, or investment.

2. Commodity studies.

These studies would indicate significant developments and trends, particularly those which affect the strategic supply position of the United States and other countries. They would be concerned with the same factors as the background studies.

3. Functional studies.

These studies would indicate significant developments which affect the capabilities and vulnerabilities of foreign countries or of the United States. They too would be concerned with the same factors as the background studies.

III. OPERATIONAL ECONOMIC INTELLIGENCE IN SUPPORT OF SPECIFIC UNITED STATES MEASURES AND COURSES OF ACTION

A. Introductory Statement.

United States military, political, and economic operations require a large volume of economic intelligence designed specifically to support such operations. A breakdown of this intelligence is given in the outline below. At the same time, it should be noted that much of the intelligence produced

SECRET

in answer to other particular requirements is also useful for operational purposes. Frequently, for instance, current intelligence reports when properly evaluated against the background of basic estimates provide useful support for operations. This is also true of a considerable part of the intelligence required for national policy-making and planning, notably individual studies of major industries, commodities, and services, and analyses of the ability of particular areas and facilities to support military and economic operations. (This intelligence is needed primarily for estimates of capabilities and vulnerabilities, as discussed in Section IV below.)

H. Military Operations.

Such intelligence would cover the following subjects:

1. Logistical support of United States and allied forces.
2. Enemy economic capabilities bearing on specific operations.
3. Strategic and tactical targets.
4. Economic conditions bearing on the maintenance of law and order and the prevention of disease and unrest.

G. Political Operations.

These operations would include the following:

1. Psychological warfare.
2. Diplomatic and other measures.

SECRET

SECRET

D. Economic Operations.

These operations would be as follows:

1. "Cold war" measures.

- a. Export-Import licensing.
- b. Preclusive buying.
- c. Foreign funds control.
- d. Economic assistance and development.

2. Wartime measures.

- a. The "cold war" measures already noted.
- b. Navicert system.
- c. Ship warrant system.
- d. Enemy export control.
- e. Black listing.

IV. ESTIMATES DESIGNED TO SERVE PREDOMINANTLY AS A BASIS FOR NATIONAL PLANNING AND POLICY DECISIONS

A. Introductory Statement.

The intelligence effort should be brought to bear at each stage of national planning and policy-making. In practice, the intelligence effort itself frequently discloses the need for the development of new United States policies and courses of action under actual circumstances or various foreseeable contingencies.

Those fields of United States policy and action which most consistently require economic intelligence for their formulation, execution, appraisal, and revision are: economic mobilization planning; economic warfare; military assistance; economic assistance; economic development; foreign

SECRET

trade, finance, and investment; international transportation and communications; relations with international institutions; and military occupation and peace treaties.

These areas of interest require intelligence estimates which: appraise the continuing and relatively long-range economic potentials of foreign countries (Section IV, B); analyze the current intentions and courses of action of foreign countries and their economic effects (Section IV, C); and those which are prepared for the specific purpose of assisting in the formulation of a United States policy or national decision, or in the intelligence appraisal of the consequences abroad of existing United States policies and possible courses of action (Section IV, D).

The scope of these estimates would vary greatly. Some studies would be required which treat merely one phase of a particular problem in a single country. Others would, as the occasion demands, cover the whole problem or subject for an entire area.

Under present world conditions, and in view of the United States objectives listed in Section III, B of the Preface, estimates provided for in this section must consider not only single countries but the following groupings: the USSR and its satellites; the allies of the United States; and those nations not definitely aligned with either center of power.

B. Estimates of the Economic Capabilities and Vulnerabilities of Foreign Countries, Singly or in Groups.

The outline below indicates those aspects of economic capabilities and vulnerabilities which are most important for purposes of policy-making and planning and which represent the main areas of interest for the various government agencies concerned.

SECRET

1. Estimates and analyses of economic capabilities.

a. Capabilities to achieve or maintain economic stability and to effect economic development.

These estimates of the ability of certain countries to achieve economic stability and their prospects for economic development must include analysis of the current economic situation and major trends and of the basic economic capabilities of the countries under consideration. The analysis would necessarily take account of the degree of internal political stability obtaining in these countries and also of their international political, economic, and military relations.

b. Capabilities to wage economic warfare against or to render economic assistance to other countries.

Such studies would estimate the economic capability of certain countries to: (1) weaken the war effort or undermine the strength and stability of an opposing power and its allies; (2) encourage and assist the defection of the opposing power's allies; (3) obtain the support and allegiance of "neutral" nations; (4) benefit from the resources and technology of the opposing power and its allies through legal or extra-legal trade channels.

c. Economic capabilities to carry on military or para-military operations.

(1) Economic capabilities for war with respect to indigenous resources.

These estimates would be based on analyses of: the economic capacity of certain countries to mobilize their resources; their production capabilities and stocks

SECRET

of industry, agriculture, transportation, and communications; and their consumption requirements for both civilian and military purposes.

- (2) Economic capabilities for war with respect to a mobilization effort in combination with that of other countries.

These studies would estimate the total capabilities which a selected group of countries could mobilize for military action. Estimates of the total capabilities of powers opposing the United States and of mobilization capabilities of the United States and its allies would be of particular importance. Estimates of enemy capabilities would require an analysis of factors similar to those in Paragraph c (1) above. Estimates of the capabilities of the United States and its allies would require an analysis of the capabilities of individual allies and neutral countries to supply materials, products, and services deficient in the United States and other allied countries as well as the extent to which each country would be dependent on outside sources to support its role in a joint allied war effort. Such appraisals would include evaluations of possible reductions in United States and allied capabilities as a result of victories and occupation by the opposing forces. They would also be used to determine the measures and arrangements which would insure most effective utilization of total United States and allied resources.

SECRET

- (3) Increased economic capabilities for war as a result of immediate conquest.

These studies would investigate the economic capabilities of certain areas liable to be overrun by an opposing force and the extent to which these capabilities could be used by the occupying power.

- (4) Economic capabilities to provide logistical support for specific military campaigns

Such studies would estimate the economic capabilities of certain countries to provide logistical support for particular military campaigns undertaken by their own troops, the troops of their allies, or the troops of an invading enemy force. These estimates, which would be dependent upon military intelligence relating to particular campaigns, would require logistical studies of munitions, food, fuel, lubricants, repair facilities, manpower, transportation, and storage.

- (5) Economic capabilities of an occupied country as they relate to the problems of the occupying power.

These estimates would investigate the anticipated capabilities of a conquered country to support itself during a period of occupation and also the most effective way for the occupying power to control the economy of the conquered country. The studies would take careful account, where appropriate, of the objectives of the United States and its allies in establishing economic control over the country and also of the estimated extent

-11-

SECRET

SECRET

of war damage to the country's economy. The studies would analyze problems of control in the fields of economic organization; sanitation and public health; food supply and distribution; public works and utilities; labor and industry; transportation and communications; storage; finance; foreign trade and exchange; restitution and reparations; and foreign assistance.

2. Estimates and analyses of economic vulnerability.

The purpose of these studies would be to estimate the economic vulnerability of certain countries or areas to attack by economic, political, or military measures of an opposing force. These estimates would consider the relative vulnerability of various industries, transportation, and other segments of the economy to measures employed for the purposes mentioned in Paragraph 1b ^{above} above. They would necessarily take into account the capability of the opposing power to employ such measures. As a basis for estimates in this category, intelligence studies would be needed to set forth and analyze: the importance of selected industries or services; the structure of the industry or service; and the vulnerability factors. Each instrument or measure, however, has its own particular problems, and therefore additional studies of these specific problems would also be needed.

C. Estimates of the Effect of Economic Developments and Policies in Foreign Countries, Singly or in Groups.

1. Indications of military, political, or economic intentions.

a. Military intentions.

These studies would examine on a continuing basis current economic developments to detect any indications that certain countries

SECRET

SECRET

intend to wage war, either guerrilla or regular. In their simplest form, the estimates would be based on indicators of military preparations gathered through the use of a checklist as a frame of reference. In addition to these summary analyses, however, comprehensive and detailed estimates should also be made of specific economic developments indicative of military intentions.

b. Political and economic intentions.

These studies would analyze, again on a continuing basis, current economic indications of the intention of certain countries to adopt political or economic measures designed to strengthen, weaken, or utilize the capabilities of other areas, or to strengthen and develop themselves.

2. Economic effects of internal developments on specified countries.

Such studies would estimate the effect of internal developments or courses of action adopted by certain countries on the economic capabilities and stability of these countries. Based upon analysis of current developments, the estimates would determine the major economic problems facing the countries; the governmental policies relating to these problems; and the effect of probable courses of action, including requests for assistance from other nations.

3. Economic effects of developments in certain countries on other countries.

These studies would estimate the impact of current developments or courses of action in certain countries on the economy of

SECRET

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

other countries and would define the courses of action which these other countries would in turn have to adopt.

4. Effect on United States security of economic developments in other countries.

The studies in this category would be concerned with foreign economic developments directly affecting the national security of the United States rather than with those developments which prompt the countries to adopt a course of action which in turn affects United States security. It should be noted, however, that Paragraphs 1, 2, and 3 above implicitly require analysis in the light of United States security interests.

D. Estimates of the Economic Consequences in Other Countries of United States Policies and Courses of Action.

1. Consequences in other countries of possible United States policies and courses of action under existing or foreseeable circumstances.

In every instance where no specific United States policy has been adopted to meet a foreign problem, estimates will be necessary to assess the consequences abroad of the absence of United States policy and to appraise the consequences of certain courses of action. The estimates would normally be based on a number of intermediate estimates, the more important of which are treated in Paragraphs B and C above.

2. Consequences in other countries of current United States policies and courses of action.

These studies would estimate the effect abroad of existing United States policies and courses of action and would assist in appraising their effectiveness in attaining United States security objectives. Such intelligence appraisal should also include evaluations of the economic effects of a United States policy or course of

SECRET

~~SECRET~~

action in countries other than those toward which the measure is directed in order to determine whether such effects outweigh the advantages obtained in the immediate target area.

-15-

~~SECRET~~

SECRET

CENTRAL INTELLIGENCE AGENCY
Washington 25, D. C.

SUPPLEMENT

FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS
RELATING TO THE NATIONAL SECURITY

11 October 1950

SECRET

SECRET

SUPPLEMENT*

FOREIGN ECONOMIC INTELLIGENCE REQUIREMENTS
RELATING TO THE NATIONAL SECURITY

Table of Contents

Tab A Outline of Foreign Economic Information Requirements

(These requirements are applicable to both the collection of information and the preparation of background studies - See Sections I and II-B, pages 1 - 4, in the basic paper.)

and everything else

Tab B Outline of Foreign Economic Intelligence Production Requirements for Current Country Studies

(These requirements are applicable to current developments, as presented in basic studies, and to estimates of economic stability - See Sections II-C, pages 4-5, and IV-B-1-a, page 9, in the basic paper.)

Tab C Outline of Operational Economic Intelligence Production Requirements for the Support of Specific United States Measures and Courses of Action

(This is applicable to Section III, pages 5 -7, of the basic paper.)

Tab D Outline of Economic Intelligence Production Requirements for Estimates of Economic Capabilities for War

(This is applicable to Section IV-B-1-c-(1) and (2), pages 9-10, in the basic paper.)

*Those sections of the basic paper which have not been enlarged upon in this supplement will be amplified where appropriate by the agencies directly concerned, in accordance with their own requirements for meeting their specific responsibilities.

SECRET

SECRET

Tab E

Outline of Economic Intelligence Production Requirements for Estimates of Economic Vulnerabilities

(This is applicable both to economic estimates of the capability to employ certain measures and the vulnerability to such measures - See Sections IV-B-1-b, page 9, and IV-B-2, page 12, in the basic paper.)

SECRET

CONFIDENTIAL

Tab A

Foreign Economic Information Requirements

PART I

I. Structure of the Economy

A. Prevailing economic and social philosophies

1. Dominant philosophies
2. Influences bearing upon prevailing philosophies
 - a. Religious
 - b. Family
 - c. Communist activities
 - d. Other
3. Effect of philosophies upon economic organization

and activity

- a. Industriousness of people
- b. Extent of government control of and participation in economic activity and welfare
- c. Attitude toward progress

B. Extent of private and government ownership of business

1. Proportion of and kinds of businesses privately owned
2. Business owned and operated by the government
3. Plans for extension of public ownership

C. Size and complexity of business units*

1. Variance in size of units

A - 1

* Each major business to be treated separately.

CONFIDENTIAL

CONFIDENTIAL

2. Structure of industry
3. Degree of vertical integration
4. Degree of horizontal integration
- D. Sources of capital
 1. Domestic
 2. Foreign
- E. State of technology and productivity
 1. Quality of business and industrial management
 2. Skill of labor
 3. Machine technology
 4. Engineering skills and technology
 5. Research facilities
 6. Productivity trends
- F. Restrictive business practices
 1. Production, price, marketing, and other types of control
 2. Methods for restricting competition (cartelization, informal agreements, etc.)
- G. Labor organization (See Part II, Section I. C.)
- H. Industrial relations (See Part II, Section I.D.)
- J. Land ownership, land tenure and agriculture organizations
(See Section III)
- K. Government regulation and control, including government planning
 1. Production control
 2. Control of utilities
 3. Control of transportation and communications
 4. Control of corporations

A - 2

CONFIDENTIAL

CONFIDENTIAL

5. Control of capital
 - a. Sequestration
 - b. Control of investment
 - c. Control of profit
 - d. Control of foreign enterprise
6. Government subsidies and loans
7. Government allocation regulations
8. Expropriation and restitution
9. Conservation and land reclamation
- I. Degree of flexibility and adaptability to change
 1. Mobility of labor and resources
 2. Responses to price changes
 3. Ability to weather economic depression
- M. Relationship to international organizations
 1. Participation in the organizations
 2. Influence of the organizations upon the economy
- II. Manpower and population (numbers; quality; health; education; facilities for improvement)*
 - A. Labor
 1. Employment and unemployment
 - a. Working population: distribution of the labor force and degree of skill possessed
 - b. Employment trends and statistics
 - c. Labor turnover
 - d. Job placement
 - e. Unemployment

CONFIDENTIAL

CONFIDENTIAL

- 2. Labor controls
 - 3. International labor recruitment agreements
 - 2. Working conditions and regulations
 - 3. Labor organizations
 - 4. Industrial relations
 - 5. Government labor policy
 - 6. Productivity; technological conditions and changes
- F. Population
 - 1. Statistics
 - 2. Movements
 - 3. Policies
- C. Education
 - 1. Level of literacy
 - 2. Scholarships
 - 3. Organization and content
 - 4. Government control and regulations
 - 5. Education of groups
- E. Health, welfare agencies
 - 1. Public health
 - 2. Medical facilities
 - 3. Welfare agencies and activities
 - 4. Social security

CONFIDENTIAL

~~CONFIDENTIAL~~

III. Food and agriculture*

A. Agriculture area

1. Area under cultivation for each of the following purposes:
 - a. Cereals for grain
 - b. Rotation meadow and other feed crops
 - c. Food crops other than cereals
 - d. Industrial crops
 - e. Other crops
 - f. Fallow
2. Potentially additional cultivatable area by:
 - a. Irrigation
 - b. Drainage
 - c. Clearing
 - d. Terracing
3. Principal agricultural areas in a country or region
 - a. Location and scope
 - b. Fertility of soil
 - c. Topography
 - d. Climate
 - e. Principal commodities produced

B. Crop production and use

Information for each crop listed under this heading should include: area, yield per unit of land, background and current production statistics, probable future trends, domestic consumption, imports and/or exports

~~CONFIDENTIAL~~

CONFIDENTIAL

1. Cereals*
2. Vegetable fats and oils or oil seeds
 - a. Edible oils*
 - b. Industrial oils*
3. Horticultural crops
 - a. Fruits and nuts*
 - b. Vegetables*
 - c. Berries*
 - d. Flowering plants*
4. Sugar*
5. Seeds
 - a. For planting*
 - b. For spices*
6. Alkaloid plant products
 - a. Coffee
 - b. Tea
 - c. Chicory
 - d. Cacao
 - e. Tobacco
 - f. Poppy
 - g. Others*
7. Fiber crops*
8. Others

* Each major crop to be treated separately.

CONFIDENTIAL

C. Prevailing production techniques

1. Crop rotation
2. Use of fertilizers
3. Use of improved seed
4. Use of fungicides, insecticides, etc.
5. Type and use of farm implements and machinery

D. Livestock and livestock products

Information for each class of livestock should include: background and current production statistics for livestock numbers and for end products (meat, milk, hides, wool, etc.). livestock improvement techniques, probable future trends, domestic consumption, imports and/or exports

1. Dairy cattle
2. Beef cattle
3. Swine
4. Sheep
5. Goats
6. Horses and mules
7. Chickens
8. Others

E. Diseases and parasites

Information for each disease or parasite should include: incidence and extent of damage

1. Plant diseases
2. Plant parasites
3. Animal diseases
4. Animal parasites

F. Food processing industries

Information for each food processing plant should include: names, locations and description of plants, types of product, production capacity, background and current production statistics, probable future trends, domestic consumption, imports and/or exports.

1. Milling
2. Dehydrating
3. Freezing
4. Canning

G. Food storage and warehousing facilities

Information for each plant should include: name and location, type of facilities, maximum capacity, stocks on hand

H. Food consumption

1. Approximate quantities consumed (food balance)
2. Preferences for specific food items
3. Nutritional standards which country could maintain from indigenous production in time of an emergency

I. Land ownership, land tenure policies, and farm organization
(See Section I. Economic organization)

1. Private ownership
 - a. Owner operated
 - (1) Total area
 - (2) Size of farms
 - b. Tenant operated
 - (1) Total area
 - (2) Size of farms

- (3) Rental rates
 - (4) Taxes
 - (5) Credit and other production incentives
 - 2. State owned land
 - a. Management or supervision
 - b. Policy toward and working arrangements with tenants or laborers
 - 3. Farm organizations
- J. Government policy and controls (See Section I. Economic organization)
- 1. Production
 - a. Financial assistance to farmers
 - b. Price supports
 - c. Production improvement programs
 - d. Other
 - 2. Marketing
 - a. Quotas
 - b. Bonuses
 - c. Tariffs
 - d. Export subsidies
 - e. Other

IV. Fish and fish products

A. Fishing

Information for each major fishing area and for countries should include: location; average annual catch by type of fish; probable future trends; size, type and condition of fishing or whaling fleets; landing and handling facilities; domestic fresh fish consumption; imports and/or exports

~~CONFIDENTIAL~~

B. Processing

Information for fish processing plants should include: size, locations and types of plants; number of workers employed; average annual output, including marine oils; kind and quantity of fish processed; facilities for transporting fresh fish, and for storing and distributing fresh and processed fish; domestic consumption of processed fish; imports and/or exports

C. Government controls

1. Taxes
2. Subsidies
3. Length of fishing season
4. Other

D. Agreements with other governments concerning the regulations and control over fishing areas

V. Forests and forest products

A. Forests

Information on size, location and kind of timber (hardwood and softwood) produced in each of the principal forest areas; areas cut; cutting practices; reforestation and conservation

B. Processing industries

Information on size, location and capacity of each of the mills and other manufacturing and processing plants

C. Forest products

Information for each type of product should include: background and current production statistics, probably future trends, specialized transportation facilities, cutting and processing equipment, major limitations to more effective utilization of forest resources available, imports and/or exports.

1. Round wood*
2. Sawn wood*
3. Pulp*
4. Paper*

5. Other*

~~CONFIDENTIAL~~

9. Government controls

1. Cutting limitations over domestic industries
2. Import and export controls
3. Other

VI. Mining and Mineral Products*

The following information for each ore or mineral product should be included, where applicable, both for individual mines, areas, and plants, and for countries.

A. Ore Deposits

1. Location-distance and direction of nearest town with coordinates if possible
2. Type of ore deposits, including kind of gangue rock and associated minerals.
3. Average grade of ore.
4. Methods and equipment used in prospecting and exploration and extent of exploration.
5. Tonnage of recoverable ore reserves, measured, indicated and inferred.
6. Accessibility of ore deposits.

B. Mining

1. Location of mines - distance and direction of nearest town or railway point with coordinates if possible.
2. Names of mines including nationality of operating companies.
3. Access to orebody by vertical or incline shafts, tunnels, or open cut, with depth of workings.
4. Mine development and methods of exploitation with detail description of mine workings including handling of ore, hoisting, and haulage systems.
5. Description as to kind, type, and condition of mining equipment used.
6. Availability of shop facilities and mining supplies, including timber, drill steel, explosives, and repair parts to equipment.
7. Pumping facilities and ventilation.
8. Availability and types of labor employed, including employment statistics and productivity per man.
9. Availability and kind of power and how generated.

10. Tonnage and grade of ore mined -average per month or total per year
11. Transportation facilities of ore mined to concentrating plant, smelter or other destination by truck, rail, aerial tramway or other.
12. Storage facilities and stockpiling.
13. Costs per ton of ore mined.

C. Processing

1. Milling and concentration or beneficiation.
 - a. Location of plants in relation to mines.
 - b. Name of plant and nationality of operating company
 - c. Source, type, and grade of ore treated
 - d. Methods of ore preparation and processing: crushing, grinding, gravity concentration, flotation, filtering, drying, magnetic separation, leaching, etc.
 - e. Description of plant equipment, capacities, flow-sheet, and general layout; availability of operating supplies and repair parts.
 - f. Production by month or year giving quantity and grade of each product; background of production statistics and trends; plans for future expansion and maximum potential in time of war.
 - g. Availability and kind of power and how generated.
 - h. Source and availability of water supply.
 - i. Shipment of products: destination and means of transportation.
 - j. Availability and types of labor employed.
 - k. Value of products and costs of production.
 - l. Research and development of new methods and techniques.

CONFIDENTIAL

2. Smelting and Refining

- a. Location of plants - distance and direction of nearest town or railway point with coordinates if possible.
- b. Name of plants and nationality of operating company.
- c. Source, type, and grade of material or concentrates to be processed.
- d. Description of plant, equipment, and methods for preparing material for smelting or electrolytic processing, such as roasting, sintering, leaching, etc.
- e. Description of smelter and refinery and equipment including types, sizes, and capacities of furnaces, such as open hearth, blast, converter, reverberatory, electric, retort, and melting furnaces; method of processing.
- f. Description of electrolytic processing.
- g. Sources of raw materials used in smelting and refining, such as, coke, coal, refractories for furnace linings, and fluxing agents, including cryolite, limestone, siliceous material.
- h. Production by month or year giving quantity and grade of products including by-products; background of production statistics and trends; plans for future expansion and maximum potential in case of war.
- i. Disposal of products: destination and means of transportation giving routes covered.
- j. Availability and kinds of fuel and power.
- k. Availability and types of labor employed.
- l. Value of products and costs of production.
- m. New methods, materials and techniques, including research and development projects.

CONFIDENTIAL

~~CONFIDENTIAL~~

D. Use and consumption of products

1. Pattern of utilization and use of possible substitutes.
2. Domestic consumption and minimum requirements to maintain civilian economy in time of peace.
3. Military requirements in peace or war and maximum potential in time of war.

E. Ownership and controls (See Section I, Economic Organization, and Section XII, International Trade and Finance).

1. Type of ownership: government, private or joint participation; affiliations; licensing; patents.
2. Cartel agreements and quotas
3. Trade agreements
4. Financing and subsidies

F. Factors affecting production and supply of materials

1. Seasonal climatic conditions
2. Shortages of water, fuel, and power.
3. Market conditions and prices
4. Labor disturbance and orientation of labor organizations

G. International trade

1. Export and/or import statistics by country
2. Freight costs, means of transportation, and routes covered
3. Facilities at rail terminals and ports.
4. Destination of products including smuggling.

H. Lists of minerals and metals

Ferrous and nonferrous ores from which the following metals are extracted:

- | | |
|--------------|------------|
| 1. Aluminum | 4. Bismuth |
| 2. Antimony | 5. Boron |
| 3. Beryllium | 6. Cadmium |

~~CONFIDENTIAL~~

CONFIDENTIAL

- | | |
|---------------------------|--|
| 7. Chromium | 18. Nickel |
| 8. Cobalt | 19. Platinum group metals |
| 9. Columbium and tantalum | 20. Silver |
| 10. Copper | 21. Tin |
| 11. Gold | 22. Titanium |
| 12. Iron and steel | 23. Tungsten |
| 13. Lead | 24. Uranium |
| 14. Magnesium | 25. Vanadium |
| 15. Manganese | 26. Zinc |
| 16. Mercury | 27. Zirconium |
| 17. Polonium | 28. Minor metals of less importance (cerium, gallium, germanium, indium, selenium, tellurium, and rare earth metals) |

Nonmetallic minerals (strategic grades unless otherwise specified)

1. Asbestos
2. Barite
3. Bauxite (Abrasive grade)
4. Celestite
5. Corundum
6. Clays
 - a. Construction material
 - b. Refractory clays
7. Cryolite (natural)
 - a. Dolomite

CONFIDENTIAL

- a. Building stone
- b. Refractory grade
- 9. Fluorspar
 - a. Acid grade
 - b. Metallurgical grade
- 10. Graphite
- 11. Industrial diamonds
- 12. Kyanite
- 13. Limestone
 - a. Building stone
 - b. Chemical grade
- 14. Gypsum
 - a. Plaster grade
 - b. Cement grade
- 15. Lithium
 - a. Chemical grade
- 16. Mica
- 17. Monazite sand
- 18. Phosphate rock
- 19. Potash
- 20. Pyrites
- 21. Quartz crystals
- 22. Sulfur
- 23. Talc (steatite and block)
- 24. Vermiculite

CONFIDENTIAL

VII. Fuels

The following information on each type of fuel should be included, where applicable, for specific deposits, for reserve areas, and for individual plants, as well as for countries:

Resources: location of deposits or reserves; quantity and quality of resources; reserves, measured and estimated; current exploration

Plants: location and development of deposits or reserves and of plants; amounts, quality, and sources of materials, of fuel, and of equipment; availability of labor; employment statistics; transportation facilities; type, sources, and condition of equipment; research and development.

Production: background and current production statistics; grade of product; capacity and unused capacity; maximum potential in time of war; trends; prices.

Use of product: pattern of utilization; transportation, including capacity in peace or wartime, usual routes, and proportion carried by each mode of transportation on each major route; minimum necessary to maintain the civilian economy in wartime; maximum potential for military requirements in wartime; storage facilities, amount in the "pipeline," industrial reserves, and stockpiles; method of allocation; exports and/or imports; use of substitutes.

Ownership and controls: (See Section I, economic organization)

A. Coal

In addition to the general requirements listed above, special information requirements for coal include the following:

Type of mine: deep mine, strip

Kind: anthracite, bituminous, briquetting, etc.

B. Petroleum

1. Crude oil and natural gas: In addition to the general requirements listed above, special information requirements include the following: reserves, proved and probable, type and grade
2. Petroleum refining and synthetic oil plants: In addition to the general requirements listed above, special information requirements include the following: economic factors determining location of plants; special problems; production statistics by commodities (gasoline, kerosene, diesel oil, lubricating oil, residual fuel oil, synthetic fuel, aviation fuel)

CONFIDENTIAL

~~CONFIDENTIAL~~

VIII. Electric power

The following information is needed:

Resources, hydro and thermal: location; quantity; undeveloped sources of hydro power.

Plants and equipment: locations; amounts, quality and sources of fuel, materials and equipment; labor availability and employment statistics; transportation facilities for input requirements; condition and origin of equipment; economic factors determining location; special problems

Production: background and current production statistics; current characteristics; seasonal fluctuation; extent of world production; capacity and unused capacity; power plants jointly owned with other nations; plant efficiency; percentage of operating time; peak load period; ability to expand capacity in wartime

Power network: location, length, voltage and kilowatt capacity; type of transmission lines and supporting structures; alternate lines

Distribution: pattern of utilization; use of substitutes; minimum necessary to maintain civilian economy; maximum potential in wartime

Surplus or deficit: chief outlets and sources of power; international power interchange agreements

IX. Processing and manufacturing

The following information for each material or product should be included, where applicable, both for individual plants and for countries:

Plants: names, location and description of plants; type of plant and method of processing; source, availability and quality of prime materials for processing plants; source, availability and list of alternate materials; availability and kinds of fuel and power; availability of labor; employment statistics; transportation facilities; type and condition of equipment; new methods, materials and techniques, including research and development projects

Production: background and current production statistics; capacity; time required to expand to war needs and maximum potential in time of war; production trends and plans for future expansion; grade of product, specifications or description; prices

~~CONFIDENTIAL~~

CONFIDENTIAL

Use and disposal of product: use pattern by industries; local consumption; minimum necessary to maintain civilian economy; military requirements, in peace or war; exports and/or imports, by source or destination; transportation routes and facilities; storage facilities, reserves, and stockpiling; use of substitutes

Ownership and controls (See Section I, Economic Organization, and Section XII, International Trade and Finance): financial status of plants; licensing or trade agreements; affiliations; patents; cartel agreements; quotas and subsidies

A. Metal processing and manufacturing

1. Iron and steel

a. Processed materials used

- (1) Scrap iron and steel
- (2) Coking coal and coke
- (3) Ferro-alloys
- (4) Refractories
- (5) Sponge iron

b. Brought iron

2. Non-ferrous smelting and refining*

(See Section VI.B for list of metals.)

3. Foundry products

B. Metalworking machinery and equipment

1. Machine tools

2. Metal forming machines

3. Forging machines

4. Foundry machines

5. Rolling mill machinery

a. Steel

b. Pipe and tube

CONFIDENTIAL

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

- c. Wire
- 6. Portable pneumatic and electric tools
- 7. Blast furnaces
- 8. Melting furnaces
- 9. Welding machines
 - a. Electric
 - b. Oxyacetylene
- J. Industrial machinery
 - 1. Chemical processing
 - 2. Refrigerating and air conditioning
 - 3. Food processing
 - 4. Textile, shoe and sewing
 - 5. Cement mill
 - 6. Pulp and paper mill
 - 7. Ginning
- K. Prime movers
 - 1. Steam engines and turbines
 - 2. Hydraulic turbines
 - 3. Gas turbines
 - 4. Jet engines
 - 5. Diesel engines
 - 6. Internal combustion engines, other
 - 7. Rocket engines
- E. Electric power equipment
- F. Mining machinery

A-20

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

CONFIDENTIAL

- G. Oil production and refinery machinery
- H. Construction and road building machinery
- I. Transportation equipment
 - 1. Motor vehicles (trucks, busses and automobiles)
 - 2. Railway
 - 3. Ships and shipbuilding
 - 4. Aircraft
 - 5. Tanks and other self-propelled military vehicles
- J. Agricultural equipment
 - 1. Farm implements
 - 2. Machinery
- K. Scientific and precision equipment (not elsewhere specified)
 - 1. Optical instruments, lenses and optical glass
 - 2. Photographic
 - 3. Engineering
 - 4. Gauges and machinists precision instruments
 - 5. Surgical and medical
 - 6. Laboratory
 - 7. Watches and clocks
 - 8. Aircraft instruments
- L. Machinery components
 - 1. Carbon and graphite electrodes
 - 2. Bearings (ball, roller, jewel)
 - 3. Diamond dies
 - 4. High-speed steel and tungsten carbide tools
 - 5. Abrasives, crude and manufactures
 - a. Natural (corundum, diamonds)

CONFIDENTIAL

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

- b. Artificial (silicon carbide, aluminum oxide, boron carbide)

7. Looda sponges

11. Chemicals and fertilizers

1. Raw materials

- a. Sulfur and pyrites
- b. Phosphate rock, apatite, basic slag
- c. Potash
- d. Salt
- e. Limestone
- f. Chemical cellulose
- g. Hydrocarbon materials (see also Fuels, liquid, gaseous)
- h. Oils and fats (see also Agriculture)
- i. Carbohydrate materials (see also Agriculture)
- j. Miscellaneous ores and other materials

2. Products

- a. Acids
 - (1) Sulfuric
 - (2) Nitric
 - (3) Other inorganic (e.g. hydrochloric, hydrofluoric, boric)
 - (4) Organic acids (e.g. acetic, formic, oxalic)
- b. Alcohols
 - (1) Methyl (methanol)
 - (2) Ethyl (ethanol)
 - (3) Butyl
 - (4) Propyl
 - (5) Other

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

- c. Acetone
- d. Ammonia
- e. Bromine, iodine, and fluorine
- f. Calcium carbide
- g. Alkalies
 - (1) Caustic soda
 - (2) Caustic potash
 - (3) Soda ash
- h. Chlorine
- i. Chlorates and perchlorates
- j. Catalysts for chemical, petroleum and synthetic

rubber products

- k. Coal tar products
 - (1) Benzene
 - (2) Toluene
 - (3) Xylene
 - (4) Phenol and cresols
 - (5) Naphthalene
- l. Gases
 - (1) Hydrocarbon (ethylene, propylene, ethylene oxide, propylene)
 - (2) Rare gases (Argon, neon, krypton, Xenon)
 - (3) Acetylene and derivatives
 - (4) Oxygen
 - (5) Hydrogen
- m. Formaldehyde
- n. Glycerine and glycols, and derivatives

A-23

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

- o. Chemical components of jet and rocket fuels
- p. Chemical additives for liquid fuels, greases, and lube oils
- q. Fertilizers
 - (1) Nitrogenous
 - (2) Phosphate
 - (3) Potash
 - (4) Mixed
- r. Permanganates
- s. Peroxides
- t. Plastic raw materials
 - (1) Plastic raw materials
 - (2) Plasticizers (phthalates, organic phosphates, etc.)
 - (3) Phenolic, urea, & melamine plastics
 - (4) Vinyl and styrene plastics
 - (5) Cellulose plastics
 - (6) Other plastics
- u. Pharmaceuticals (especially antibiotics, vitamins, and sulfa drugs)
- v. Rubber chemicals and carbon black
- w. Metallic sodium, tetraethyl lead and other anti-knock compounds
- x. Photographic supplies
 - (1) Chemicals
 - (2) Paper
 - (3) Gelatin
 - (4) Film

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

- y. Heavy water
- N. Chemical warfare products and dissemination equipment
 - 1. CW gases, bombs and other means of dissemination
 - 2. CW defense items
 - a. Masks and clothing
 - b. Medicaments
 - c. Decontaminants
 - 3. Flame throwing materials and dissemination equipment
 - 4. Smokes and dissemination equipment
- O. Explosives
 - 1. Raw materials
 - a. Aromatics (benzene, toluene, xylene, aniline. See also coal-tar products)
 - b. Nitric and sulfuric acids (mixed acids)
 - c. Chemical cellulose
 - d. Chlorates and perchlorates
 - e. Pentaerythritol
 - f. Hexamethylenetetramine
 - 2. Products
 - a. Smokeless powder
 - b. RDX
 - c. Tetryl
 - d. PETN (pentaerythritol tetranitrate)
 - e. Aromatic nitro compounds
 - (1) TNT
 - (2) Picrates

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

(3) DNB (Dinitrobenzene)

(4) TNA (Trinitroaniline)

f. Inorganic nitrates

g. Nitro starches

h. Dynamite and nitroglycerine

i. Chlorate and perchlorate types

j. Stabilizers (Diphenyl, centralite, etc.)

k. Muzzle flash suppressants

P. Rubber and rubber manufactures

1. Crude rubber

2. Reclaimed rubber

3. Rubber latex

4. Gutta-percha, ballata, etc.

5. Synthetic rubber and raw materials

6. a. Ethyl alcohol

b. Hydrocarbon gases (butanes, butylenes, butadiene)

c. Calcium carbide and acetylene

d. Styrene

e. Synthetic rubber

6. Rubber chemicals

a. Carbon black

b. Vulcanization accelerators, anti-oxidants, stabilizers, catalysts, emulsifiers, etc.

7. Rubber manufactures

a. Tires and tubes

b. Footwear

A - 26

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

- c. Clot ing
- d. Belting including conveyor
- e. Balloon fabric
- f. Hose and tubing
- g. Wire and cable insulation

Q. Electrotechnical

In addition to the general requirements for manufacturing industries described at the beginning of this section of the outline, special requirements for the electrotechnical industry include: annual statistics of selected materials consumed (iron and steel castings, steel mill products, copper and copper alloy products, solder, aluminum, metallic tungsten, metallic molybdenum, ceramic products); annual national value of electrotechnical production as a whole and for major categories thereof; radios in use; number of electrified house units; installed KW in industrial plants; production of electrical energy; licensing or trade agreements and affiliations; proportion of company activity devoted to commercial work, to military work

1. End equipment manufacturing

- a. Radio and TV receivers
- b. Radio co munications and broadcasting equipment
- c. Microwave radio relay equipment
- d. Radar units
- e. Radar countermeasures units
- f. Underwater sound equipment
- g. Infra-red detection equipment
- h. Proximity fuses
- i. Digital computers
- j. Electronic test equip ent
- k. Telephone sets
- l. Telephone automatic switchboards

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

- m. Communications terminal equipment
 - (1) Teletypewriters
 - (2) Coders
 - (3) Channelizing units
- n. Electrical generating and distribution equipment
- o. Electrical appliances
- 2. Components manufacturing
 - a. Insulated wire and cable, coaxial cable and waveguide
 - b. Mass-produced (radio) tubes
 - c. Transmitting and special purpose tubes
 - d. Cathode-ray (television) tubes
 - e. Paper capacitors
 - f. Mica capacitors; ceramic capacitors
 - g. Composition resistors
 - h. Wire-wound resistors
 - i. Storage and primary batteries
 - j. Magnetic components, under 25 KVA
 - k. Power and distribution transformers, over 25 KVA
 - l. Piezo-electric crystals
 - m. Electrical indicating meters
 - n. Fractional HP electric motors, generators, dynamotors
 - o. Large electric motors and generators
 - p. Permanent magnets
 - q. Electrical switches and switchgear
 - r. Electrical relays, magnetic contractors
 - s. Incandescent lamps

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

t. Fluorescent lamps

R. Textiles and textile fibres

1. Rayon staple fibre and filament yarn

2. Nylon

3. Other man-made fibres

4. Textile cloths

5. Cordage, rope and twine

S. Wearing apparel

1. Footwear

2. Clothing

T. Other items of military equipment not elsewhere specified

U. Transportation Systems*

A. Rail

B. Highway

C. Ocean shipping

D. Inland waterway

E. Air

* Outline of detailed requirements to be submitted later.

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

XI. Communications systems

A. Telecommunications

Information for each system should include the following, where applicable: locations; subscriber capacity; estimated peak and average load; type of equipment; terminal locations and routes; channel capacities; estimated peak and average traffic rates; annual revenues and volume of traffic; terminal equipment; employee statistics; replacement and maintenance programs; materials consumption; proposed changes; field trials of new methods or equipment; type of ownership; government controls; international agreements; government utilization plans in event of war

1. Domestic telephone and telegraph services
2. Foreign telephone and telegraph services
3. Overseas cables
4. Long-lines telephony
5. Long-lines telegraphy
6. Radio communications
7. Microwave (radio relay) systems
8. Cables

B. Radio broadcasting

Information for each system should include: description; ownership; government controls; sources of revenue; international agreements relative to radio broadcasting systems; proposed changes; field trials of new methods or equipment

1. Studios and transmitters

Information for each unit should include: studio locations, with facilities and program types; transmitting sites and equipment; antenna; coverage area

- a. Local
- b. Short-wave foreign
- c. Television

~~CONFIDENTIAL~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

2. Privately owned radio and TV receivers; numbers of sets, average listeners, and hours of use

3. Community PA receiving systems: quantity, locations, and average number of listeners

4. Jamming equipment: location, description, and intended use.

C. Radar and navigation

Information for each should include: description; proposed changes; field trials of new equipment

1. Ground radars: locations, types of equipment, area coverage; intended application, and hours per day operated

2. Radar network

3. Intercommunicating radar-relay

4. Control systems

5. Air navigational aids: number of installations and types of equipment

6. Ship-to-shore communications systems: locations, equipment of ground stations, numbers and kind of shipboard installations

7. Navigational radars: numbers and types on shipboard or airborne equipment

D. Special-services radio communications systems: location (routes), installed equipment, intended service and functions; proposed changes

E. Land-line, radio control, or teleretering systems: location, operating function, equipment installations, and proposed changes

XII. International trade and finance

A. Views and activities of organizations and officials which influence international trade and finance, e.g. international and national Chambers of Commerce, banking and other financial institutions, manufacturers associations, trade associations, and government officials responsible for state trading operations and for trade and financial negotiations.

B. Trade promotion activities

1. Intergovernmental negotiation of trade and payments agreements, barter and compensation arrangements

a. Official texts of trade and payments agreements or barter and compensation agreements or arrangements, where available, if not, similar information from indirect sources

b. Quantities and values of commodities negotiated or arranged for, terms of delivery, priorities, and other similar information

2. State trading operations -- sales and procurement efforts and arrangements of government trading organizations and agents in foreign markets

3. Governmental export guarantees, subsidies, or other special aids, including promotion or sponsorship of trade fairs

4. Transshipment trade arrangements, including free ports and foreign trade zones

5. Intergovernmental economic assistance programs which affect international trade

C. Trade restrictions and controls

1. Export and import tariffs, licensing, quotas, embargoes and other restrictions

2. State trading regulations and procedures -- international trade operations of government agencies and state monopolies

3. Exchange control operations -- licensing, quotas, and other restrictions or regulations

4. International trade controls of industrial cartels

5. Intergovernmental commodity control agreements

6. Transit trade regulations

D. Trade-war activities, including retaliatory trade measures

E. Illicit trade -- smuggling and other clandestine or indirect trade operations

- F. Wartime trading with the enemy -- biographical, industrial and trading information
- G. International trade movements -- for individual countries, and summarized by areas
 - 1. Quarterly and annual statistics on exports and re-exports; quantity and value; by commodity by country of destination
 - 2. Quarterly and annual statistics on imports; quantity and value; by commodity by country of origin
 - 3. Periodic statistics of transit and transshipment trade
- H. Foreign exchange and gold
 - 1. Current exchange rates for foreign currencies
 - a. Official
 - b. Free
 - c. Black market
 - 2. Amount and sources of foreign exchange on black markets
 - 3. Transactions in and movements of gold including prices at which sales take place and sources and destination of gold
 - 4. Official holdings of foreign exchange and gold
 - 5. Regulations on use of foreign exchange and gold
 - 6. Information as to hoarding of gold and foreign exchange
 - 7. Information as to use of gold, dollars, and other currencies for subversive activities
- I. International balance of payments
 - 1. Over-all balance of payments with detailed breakdown
 - 2. Balance of payments with dollar area and other monetary areas
 - 3. Trends and significant changes in balance of payments accounts
 - 4. Gold movements, swing margins, foreign assistance, foreign loans and other capital account transactions

J. International investment and other capital movements

1. Amounts, sources, and destination of international capital movements and reasons for movements
2. Form in which foreign capital is held: bank deposits; ownership of securities; direct investment
3. Government regulations of international capital movements
4. Government regulations to encourage or discourage international investment
5. Debtor-creditor position of countries on capital account

III. Domestic currency and banking

A. Currency

1. Kinds of currency
2. Issuing authority
3. Reserve requirements and other regulations for issuance
4. Policies and practices
5. Links to other currencies

B. Banking

1. Kinds of banks
2. Rules and regulations governing banking operations
3. Private or public ownership
4. Central bank
 - a. Ownership and control
 - b. Regulatory powers exercised by the central bank
 - c. Policies and practices
 - d. Relationship to currency issuing authority
 - e. Gold and foreign exchange holdings

5. Banking statistics
 - a. Deposits
 - b. Loans
 - c. Government securities held
 - d. Private securities (stocks, bonds)
 - e. Foreign exchange holdings
6. Relationships between banks and industrial enterprises
7. Relationship to foreign banks and foreign enterprises

IV. Government finance

A. National budget

1. Expenditures (especially for national defense and research and development) and relationship to national income
2. Revenue sources including problems such as tax collection and evasion
3. Budgetary policies and practices
4. Budget deficits or surpluses and relationship to monetary and fiscal policy

B. Government debt

1. Amount and trends
 - a. Internal
 - b. Foreign
2. Management
3. Relationship to budgetary policies and practices

V. National wealth and income*

A. Gross national product and national income statistics

1. GNP showing breakdown by allocations, i.e. wages and salaries, interest, dividends, social security contributions, etc.

~~CONFIDENTIAL~~

2. GDP showing breakdown by expenditures, i.e. consumers' expenditures, government expenditures on goods and services etc.
3. National income (net national product at factor cost)
4. Personal and corporate savings
5. Investment data by industry segments and public projects
- B. Standards of living
 1. Housing conditions and statistics
 2. Availability and consumption of other consumers' goods, including food and clothing
 3. Working conditions
 4. Health and recreation facilities
 5. Travel facilities
 6. Aspirations of population for improvement

XVI. General economic indices

- A. Wholesale and retail prices
- B. Industrial production
- C. Cost of living
- D. Imports and exports
- E. Employment
- F. Wages
- G. Other

~~CONFIDENTIAL~~

TAB I

PART II

SOCIOLOGICAL DATA REQUIRED FOR ECONOMIC INTELLIGENCE PRODUCTION

(Manpower and Population: Numbers; quality; health;
education; facilities for improvement)

I. Labor

A. Employment and unemployment

1. Working population: distribution of the labor force
and degree of skill possessed

a. Occupational groups

- (1) Agricultural, forestry, fishing
- (2) Mining and quarrying
- (3) Manufacturing
- (4) Transport, communications, power, and
other utilities
- (5) Commerce and finance
- (6) Government service (military and civil)
- (7) Professional service
- (8) Domestic and personal service

b. Special groups

- (1) Women
- (2) Children
- (3) Migratory
- (4) Immigrants and aliens
- (5) Forced labor

2. Employment trends and statistics
 3. Labor turnover
 4. Job placement
 - a. Policies
 - b. Facilities for placement and training
 - c. Facilities for relocation
 5. Unemployment
 - a. Volume and trends
 - b. Unemployment relief policies (Government, industry, labor unions)
 6. Labor controls
 - a. Admission to labor unions
 - b. Restrictive trade union practices and regulations and their effectiveness
 7. International labor recruitment agreements
- B. Working conditions and regulations
1. Hours of work
 2. Wages and salaries
 3. Wage controls
 4. Job placement controls
 5. Health and welfare
- c. Labor organizations (See Section I, Economics Organization)
1. Strength of union organizations
 2. Meetings and conferences
 3. Relations with foreign labor movements
 4. Relations with non-labor groups

- ~~CONFIDENTIAL~~
- 5. Political activities
 - a. Strikes for political purposes
 - b. Relations to ideologies
 - 6. Financial resources
 - D. Industrial relations (See Part I, Section I, Economic Organization)
 - 1. Labor disputes (strikes over wages, hours, and working conditions)
 - a. Agriculture, forestry, and fishing
 - b. Mining and quarrying
 - c. Manufacturing
 - d. Transportation
 - e. Communications
 - f. Other public utilities
 - 2. Government arbitration, conciliation, and mediation
 - 3. Effect of public opinion on disputes
 - 4. Collective bargaining
 - 5. Enforcement and administration of agreements
 - E. Government's labor policy (See Part I, Section I, Economic Organization)
 - 1. Labor legislation
 - 2. Decrees
 - 3. Judicial decisions
 - F. Productivity; technological conditions and changes (See Part I, Section I, III-VIII)

II. Population

A. Population statistics

1. Total population by sex by age
2. Births
3. Deaths
4. Marriages
5. Divorces
6. Family characteristics
7. Regional distribution and density
8. Ethnic composition and distribution by regions
9. Religious composition and distribution by regions

B. Population movements

1. Immigration
 - a. Causes, purposes, effects
 - b. Regulation and control
 - c. Illegal entry
2. Emigration
 - a. Causes, purposes
 - b. Regulation and control
 - c. Illegal exit
3. Displaced persons
4. Resettlement
5. Repatriation
6. Refugees and exiles

- 7. Location of individuals
 - a. Of nationals abroad
 - b. Of foreigners in country
- 8. Attitudes, beliefs, and customs
 - a. Making for internal unity or disunity
 - b. Making for friendship or enmity with other nations
- 9. Population policies
 - 1. Passports and visas
 - 2. Naturalization
 - 3. Policies affecting growth of populations
 - a. Regulation of abortion
 - b. Bonuses, subsidies, and awards for large families
 - 4. Internal migration

III. Education

- 1. Level of literacy
- 2. Scholarships
- 3. Organization and content
 - 1. Elementary and secondary schools
 - 2. Colleges and universities
 - a. General
 - b. Professional
 - 3. Technical and industrial schools and training
 - 4. Adult education
 - 5. Teacher training
 - 6. Curricula
 - 7. Premises and equipment

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

D. Government control and regulations

1. Political indoctrination through education
2. Other

E. Education of groups

1. Occupational
2. Special groups; women, foreigners

IV. Health, welfare agencies

A. Public health

1. Administration and organization
2. Communicable diseases (in general) and geographical distribution
3. Epidemiology
4. Public health laboratories
5. Infant, child, and maternal hygiene
6. Public health nursing (including home care)
7. Public health dentistry
8. Public health education
9. Industrial hygiene
10. School health
11. Special control measures (TB, VD, diptheria, m. aria, etc.)
12. Social service
13. Accident prevention
14. National non-official health services and medical organizations

A-42

CONFIDENTIAL

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

B. Medical facilities

1. Hospitals, asylums, sanatoria, health resorts, etc
2. Medical training
 - a. Medical schools
 - b. Veterinary schools and colleges
 - c. Nursing schools
 - d. Pharmacology colleges
 - e. Scientific colleges
 - f. Dental colleges
3. Medical personnel
4. Medical supplies and equipment

C. Welfare

1. Charitable institutions
2. Red Cross (as a national organization)
3. Emergency relief
 - a. Disaster relief
 - b. War relief
4. General rehabilitation of handicapped (including medical aspects)

D. Social security

Tab B

Outline of Economic Intelligence Production Requirements for Current
Country Studies

Production requirements relating to the current situation in foreign countries primarily involve an analysis of current trends and developments within the framework of the considerations outlined below.

Structure of the economy

A. Nature and organization of the economy

The industrial and raw material base of the economy; the role of agriculture and the service functions; relationship of private enterprise to government; the role of price and of planning bodies in production, consumption and distribution; organization of the economy and its flexibility in adjusting to new objectives and new situations; limits to flexibility. (e.g. political pressure, position of the labor unions, etc.

B. Role of the government

Extent of government control and its programs and ability to maintain economic stability and foster economic development. Limitations on the government's control.

C. National income

Pre-war, current and anticipated future levels of national income; distributive shares (interest corporate profits, wages and salaries, etc.); disposable personal income distribution; government and private investment; foreign investment; and savings.

~~SECRET~~

III. National budget

Pre-war, current, and anticipated future national budget, composition of revenue and expenditures (special reference to state investment and allocations for military purposes); sources of revenue; and the role of the budget in maintaining economic stability and encouraging economic development.

IV. Money and credit

Trend in the level of money and credit; general confidence in the currency; trend in loans for consumption; investment and working capital; sources of investment; and role of the government's monetary and fiscal policy in maintaining economic stability.

V. Investment

Current levels and trends in government and private investment by types (e.g. equipment, construction, etc.) and by industrial and agricultural uses; shortages of investment capital as a factor in economic instability and as a deterrent to economic development; dependence on foreign capital.

VI. Production

Pre-war, current and anticipated future production in major and critical industries, in agriculture and in the services; major deficiencies in input requirements and equipment and in production; ability to overcome deficiencies through imports, etc.; capacity for balanced development and expansion (availability of managerial technical and professional personnel, resources and capital); type and extent of foreign assistance

B-2
SECRET

required (technical and professional assistance, financial assistance, etc.)

VI. Consumption

Consumption pattern (civilian, industrial, agricultural, the services and the military) consumption pattern for major and critical lines of production; limits on consumption, ability to increase consumer purchasing power; dependence on foreign sources.

VII. Employment

Total labor force; distribution by occupation (including armed forces); availability of technical and professional personnel; number unemployed; extent of labor dissatisfaction and unrest; power of the labor organizations; government policy and probable developments.

VIII. Prices

Pre-war, current and anticipated future prices for consumer items (cost of living); and for industrial, agricultural, and service items, sources of pressure on prices (higher wages, arms productions, government spending, etc.); the role of price in the economy, and the ability of the government to control prices.

IX. Wages

Pre-war, current and anticipated trends in wages and hours in selected industries, agriculture and the services; bonus payments; government incentives; non-monetary additions to workers benefits (medical care, subsidized low rent, housing, etc.); labor unions as factors in wage levels; wages as a factor in the level of purchasing power and general economic stability.

~~SECRET~~

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

III. Living conditions

Present trends in living conditions in relation to popular satisfaction or unrest; distribution of income; prices; real wages; nutrition and health; housing; and consumer goods.

III. Foreign trade

Pre-war, current, and anticipated pattern of imports and exports (volume, composition and sources or destination); ability to make up deficiencies through imports and ability to market exportable surpluses; major problems; trade restrictions; government policy and probable courses of action.

III. Foreign financial resources

Current and probable future capacity to earn foreign exchange (exports and invisible items); gold and foreign exchange balances; external assets; international credit rating; payments agreements; foreign obligations and probable dependence on foreign financial assistance; government policy, restrictions and probable courses of action.

IV. Major economic problems, policies, programs and probable courses of action as revealed by the information elicited in response to the preceding production requirements.

Approved For Release 2000/06/13 : CIA-RDP79-01084A000100050002-1

~~SECRET~~

Tab C

Outline of Operational Economic Intelligence Production Requirements
for Support of Specific United States Measures and Courses of Action

The intelligence required in the support of specific United States operations is primarily of a detailed and current nature and should be evaluated against the background of basic estimates. Many of the basic estimates will have been designed, specifically, for use in support of these operations.

The outline below indicates the economic intelligence requirements both in cold war and in actual hostilities.

I. Economic intelligence for the support of specific military operations in wartime: *was planning*

This includes intelligence required for: (i) the logistical support of United States and Allied forces; (ii) estimating enemy capabilities; (iii) selecting strategic and tactical targets; and (iv) maintaining law and order and the prevention of disease and unrest in occupied areas.

A. Detailed and current intelligence as to the availability, location and use of resources, facilities, sources and supplies in the communications zone, in the theater of operations, and in occupied areas.

B. Detailed and current intelligence as to specific installations.

WFO's section is to be enlarged upon by the Department of Defense

SECRET

1. Location of installations, including identifying information as to nearby cities, industrial installations, housing, railroads, rivers, mountains, and other terrain features
2. Physical description of plant and points of vulnerability.
3. Administrative information, including ownership, government agency having authority, and names of key officials of the facility.
4. Capacity and production, including types and quantities of products; serial numbers, trade-marks, and other identifying symbols
5. Information required for the operation of specific installations including such detailed data as wiring diagrams, information on railroad switching systems, etc.
6. Labor force, including numbers employed, work shifts, nationality, skills, percentage of forced labor, conditions as to housing, food, and other morale factors.
7. Importance of this facility as determined by its relative contribution to the industry aggregate, by the distribution of its product, and by the dependence of other facilities on this source
8. Possible importance of this facility to United States and allied occupation forces.
9. Appraisal of economic effect of damage or destruction.

II. Economic intelligence for the support of political operations during the "Cold War" and in wartime.

- Items too broad to be related to anything. Reps. must be derived from specific actions the U.S. is phrasing or has approved for execution.*
- A. Psychological Warfare. This requires intelligence on general and

SECRET

~~SECRET~~

specific economic situations particularly as they concern to the standard of living and the conditions of work in relation to that of other countries. Intelligence relating to attitudes and sources of irritation associated with certain aspects of the economy would be important in the carrying out of any psychological warfare program.

B. Diplomatic Measures. This would include diplomatic measures requiring economic information such as the restriction of civil air flights over certain territories. The intelligence required specifically for these measures would be as diverse as the measures themselves and special requirements would have to be prepared in each particular case.

C. Other Measures. These measures, many of which might be covert in nature, would also require a specific set of requirements in each case.

III. Economic intelligence for the support of economic operations

A. During the "cold war"

1. Export-import licensing. The intelligence support required for export-import licensing draws on the entire field of international trade, on all major categories of commodities, and on politico-economic intelligence as to all areas. Specifically and in detail, it requires intelligence as to:

- a. deficiencies of foreign countries in particular commodities and materials
- b. consignors, consignees, and intermediaries of particular shipments
- c. transshipments, evasions, smuggling, and other irregular movements in international trade

SECRET

d. ultimate end-use of the proposed export

2. Preclusive buying. As in the case of export licensing, the intelligence required for support of preclusive buying operations draws on basic trade and commodity studies, and specifically and in detail requires current intelligence as to:

- a. supply and demand factors
- b. market fluctuations
- c. operations of enemy agents and black market operators
- d. estimates of effect of preclusive buying programs

on production and supply

3. Foreign funds control

- a. estimates and analyses of the fiscal position, financial resources, and monetary systems of probable enemy and neutral countries
- b. observation and analysis of clearing balances between enemy and neutral countries
- c. analysis of financial aspects of international cartels and other international corporate agreements and financial relationships
- d. analysis of financial structure of foreign corporations and United States corporations with substantial foreign ownership
- e. evaluation and analysis of financial information in foreign publications, interrogations, and other current sources

f. analysis of inventories of foreign funds and other foreign assets

4. Foreign economic assistance procurement and development.

The production requirements for this section consist of the type current information outlined in Tab E - II, A.

5. Other measures requiring foreign economic intelligence production. This includes many measures which are more covert in nature. These are so numerous and diverse that individual sets of requirements must be prepared in each case. *

B. During wartime. The intelligence requirements for economic operations in wartime include those of the "cold war" enumerated above and, in addition, detailed and current intelligence for the operation of the navicert and ship warrant systems and the control of enemy exports. This includes analysis and evaluation of [REDACTED] censorship submissions, interrogations, examination of captured materiel, and covert intelligence.

1. Navicert system. The navicert system requires the same type of intelligence in wartime as to neutral exports that the export licensing system requires in peacetime for United States and allied export licensing and, in addition, detailed and current intelligence as to the movement of all ships carrying unnavicerted cargo.

2. The ship warrant system.

a. detailed intelligence as to enemy and neutral commercial shipping, both tankers and dry cargo, including flag, tonnage,

25X1D

SECRET

home port, name and nationality and owner or master, fuel capacity, and speed.

b. detailed intelligence as to world-wide facilities -- United States, allied, enemy, neutral

3. Enemy exports

a. analyses of normal peacetime channels of enemy and satellite exports

b. requirements of neutral nations formerly met by imports from the enemy and feasibility of supplying them from allied sources in consideration of the interdiction of the former trade.

c. analysis of proposed neutral exports to determine those which are of enemy origin.

4. Black listing

a. see Tab E - II, G

b. list of firms engaged in transactions assisting the enemy

5. Other wartime economic measures: The foregoing list covers the major categories of economic operations in wartime, but is not exclusive of other measures aimed at the attrition of an enemy's economy. Economic intelligence relating to these measures would consist of information included in the general requirements indicated in Part I, Tab E, with particular reference to the requirements of each specific measure and in addition requires special current operational information.

SECRET

SECRET

TAB D

Outline of Economic Intelligence Production Requirements for Estimates
of Economic Capabilities for War

I. Structure of the Economy

A. Organization of the economy--extent of private and government ownership of business; size and complexity of business units; sources of capital; flexibility of the economic organization; character and extent of centralized (government or private) controls.

B. State of technology and productivity--skill of labor; machine technology and engineering skills; research facilities; productivity trends; quality of business and industrial management.

II. Industry and Agriculture

In general, estimates of industrial and agricultural capabilities for war should consider: major and critical input requirements and equipment for production; location of facilities and total productive capabilities; stockpiles; minimum civilian requirements; maximum available for military use; deficiencies in input components and in production capabilities which limit the ability to meet consumption requirements for military and civilian purposes; the ability to overcome deficiencies through imports, substitute materials or the use of alternate products; and plans for military production, plant dispersion and product controls. As a minimum, there shall be studies of the following segments of agriculture and industry together with

D-1

SECRET

SECRET

other items of critical importance to certain countries which shall generally include the aforementioned considerations.

A. Agriculture

1. food supplies - grain, fats and oils, meat and fish, vegetables and sugar
2. raw materials for industry - fibers, rubber and industrial oils

B. Forestry

1. lumber
2. mine timbers and railroad ties

C. Textiles and leather

1. cotton and woolen textiles
2. leather for shoes, boots, saddles and industrial purposes

D. Minerals and Metals

1. iron and steel - notably iron ore; pig iron; and raw, rolled and alloyed steel
2. ferro-alloys - manganese, chrome, tungsten, molybdenum, titanium, nickel, cobalt, and vanadium
3. non-ferrous metals - copper, lead, tin, zinc, platinum, mercury, antimony and among the light metals, aluminum and magnesium
4. non-metallic minerals - graphite, mica, quartz crystals, asbestos, fluorspar, and sulphur

E. Chemicals

This group shall consist primarily of a study of the following

SECRET

chemicals and chemical products and the major and critical commodities derived therefrom:

1. heavy chemicals - ammonia, nitric acid, calcium carbide, chlorine, caustic soda and soda ash, sulfuric acid, alcohols (ethyl and methyl), phosphorus, sulfur, and metallic sodium
2. coke-chemicals - benzol, toluol, xylol, phenol, naphthalene, and cresols
3. synthetic rubber, rubber chemicals, and carbon blacks
4. plastics and synthetic fibers
5. fertilizers - nitrogenous, phosphate, and potash
6. explosives - RDX, PETN, TNT, tetryl, smokeless powder, mercury, fulminate, picric acid, and lead azide
7. chemical, biological, and radiological warfare agents
8. miscellaneous special chemicals - tetraethyl lead, hydrogen peroxide, liquid oxygen, aniline, permanganates, and bromine and fluorine compounds

In estimating the ability of plants to produce chemicals currently under production estimates shall also be made of the ability to turn the plants to other uses or chemical products. It should also be noted that chemical research and development are continually discovering new chemicals and new uses for well-known chemicals. Other chemicals not on the list shall, therefore, be considered if their importance warrants.

D-3

SECRET

SECRET

F. Petroleum

1. crude petroleum
2. refined products - aviation fuels, diesel fuel, motor gasoline, kerosene, and fuel oil
3. synthetics
4. additives

G. Electric power (hydro and thermal)

H. Coal (lignite, brown coal, bituminous, anthracite)

I. Production equipment

1. machine tools
2. forging equipment
3. heat treating equipment
4. electrical equipment and generating equipment
5. precision instruments and gauges
6. cutting tools, abrasives and diamonds
7. construction, road building and mining equipment
8. heavy industrial equipment - particularly oil refining and drilling equipment, steel mill equipment and chemical plant equipment
9. communications and electronics equipment
10. anti-friction bearings

III. Manpower

A. Manpower resources - geographical, occupational, age, and sex distribution; productivity; geographical and occupational mobility of labor

D-4

B. Manpower requirements - for the armed forces, military production and civilian production

C. Manpower balance - deficiencies and probability of overcoming shortages, extent of governmental control

IV. Transportation

Estimates of transportation capabilities for war shall consider: the transportation net with particular attention to major traffic arteries; terminals and yards; equipment inventory and repair facilities; volume and composition of traffic; major civilian and military requirements and the ability to satisfy these requirements; the major strength and weaknesses of the system and the ability to overcome deficiencies. Studies of railway, highway, pipeline, inland waterway and maritime transportation should include these main considerations.

V. Telecommunications

Estimates of the telecommunications capabilities for war of radio, telephone and telegraph facilities shall consider: the telecommunications net with particular reference to its flexibility and the interchangeability of communications media; traffic capacity of media; repair facilities; military and civilian requirements; ability to overcome deficiencies. Studies of radio telephone and telegraph shall include the aforementioned considerations.

VI. Domestic Finance

A. Government expenditures for war preparations: percent of total budget and of national income.

SECRET

B. Ability of the Government to finance wartime expenditures and maintain financial stability: percent of Government income currently derived from taxes; effectiveness of tax collecting system; ability to obtain non-inflationary loans; ratio of Government income to national income; financial controls other than taxes; ability of the Government to obtain increased revenue to meet wartime expenditures.

C. Investment: percent of national income devoted to investment; ratio of Government investment to private investment; methods of financing investments; nature of the industries being expanded; ability to finance expansion of war potential industries

VII. Foreign Trade and International Finance

A. Volume and sources of imports of strategic and critical commodities and means (including clandestine) by which such commodities are imported.

B. Acquisition of foreign exchange assets: volume, composition, and destination of exports; shipping services, tourism, debt service and other invisible sources of foreign exchange; gold sales; foreign loans

C. Foreign trade and exchange controls: character and extent of controls; objectives in relationship to military preparedness.

D-6

SECRET

Tab E

Outline of Economic Intelligence Production Requirements for
Estimates of Economic Vulnerabilities

The production requirements relating to the capabilities to employ weapons and measures against an opposing power and the vulnerability of the opposing economies to the imposition of such weapons and measures are so closely interrelated that they are practically identical. These requirements can be divided into two groups: those which are generally of common concern to most estimates on this subject, regardless of the weapons or measures considered; and those which are applicable to specific action instruments.

It should be noted that the instruments considered here are not only designed to weaken the opposing power but will also be utilized to strengthen the acting country and its allies. The detailed intelligence information required for planning and executing these measures, as opposed to determining the extent and points of vulnerability and the relative vulnerability to various weapons, is found in Tab C.

I. Requirements of common concern to most estimates of economic vulnerability

A. Industry and agriculture

1. Evaluation of the importance of selected industries and agricultural components in the national or regional economy as determined by their relative size and significance, the use pattern of their products, the export and import position of their

products and their place in national policy

2. Analysis of the structure of the industry or agricultural component, viz. its output and capacity, the number, location and size of producing units and installations, input needs and technical characteristics

3. Analysis of vulnerability factors, viz. the essentiality of the product, the essentiality of current production or operation, dependence on suppliers and concentration of sources, accessibility of producing units or installations, physical vulnerability and resilience

B. Services

1. Evaluation of the importance of selected service functions particularly transportation of all types, communications, storage and finance as indicated by the significance of the function performed and its role in national policy

2. Analysis of the structure of the service, viz. the magnitude and limitations of its contribution, the number, location and size of service units, its dependence on other segments of the economy and its technical characteristics

3. Analysis of the vulnerability factors, viz. the essentiality of the service, the essentiality of its current function and operation, dependence on suppliers and sources concentration, accessibility of service units, physical vulnerability or vulnerability to manipulation and resilience

SECRET

II. Requirements relating to specific instruments

A. Foreign economic assistance and procurement and development

1. A general analysis of the economy, including the fundamental economic structure and organization of the country and its economic strength, weaknesses, and capabilities, particularly the degree of its dependence on foreign trade and any important aspect of the economy related to war production

2. A study of the financial structure of the country with particular reference to its financial reserves, balance of payments position, and prospective needs for foreign exchange or financial assistance

3. Analysis on a continuing basis of the strategic supply position of the country, focusing both upon import requirements of key commodities and upon surpluses available to the assisting power and its allies. This requires comprehensive and detailed studies in which the estimates of commodities available for export are developed on the basis of a thoroughly integrated pattern involving analysis of local transport facilities, credit, capital and equipment availabilities, managerial talent and technical know-how, prices and contract incentives, political stability and other factors related to production and export capacity

4. Study of the shipping and other services either needed by or available to each country

5. A determination of the extent to which the assisting power and its allies can control expanded output

E -3

SECRET

B. Blockade

1. An analysis of requirements and foreign sources of supply of the enemy and of neutral countries
2. Estimates of ability to impose the blockade
3. Determination of the limitations imposed by international law

C. Preclusive buying

1. The critical value to the enemy of the commodities available in the neutral areas
2. The significance of the neutral areas as a source for the enemy including an appraisal of the possibilities of expansion of output
3. The ability of either power and its allies to control any increased output
4. The ability of the opposing power to compete with money or goods through other methods

Both (1 and 2 involve an appraisal of the producers, processors or middlemen involved and their susceptibility to pressure, an appraisal of the pertinent economic controls in effect in the neutral country, the attitude of the neutral government, and the possibility of smuggling.

D. Export controls

1. Critical requirements for raw materials, equipment and products which must be obtained from the opposing power and its allies or from countries not definitely aligned with either power. Amount required and end use

2. Ability to make up deficiency through stocks, substitute materials, alternate products or alternate sources

E. Import controls

Economic intelligence required to impose import controls may be specified in relation to the objectives of the instrument

1. The conservation of foreign exchange and shipping space requires a prior determination of the needs of a country or groups of countries

2. Preventing useful exchange from reaching the opposing power and its allies involves a knowledge of their financial positions and of their relations with individuals or firms in neutral countries

3. Assistance to allies or friendly neutrals in order to keep their economies stable and to prevent economic penetration calls for the type of analysis described under Foreign Economic Assistance (Section II, A above)

F. Foreign assets control

1. Determination of the type, location, amount and significance of the holdings of each power and its allies in areas likely to be under the control of the opposing power

2. Analysis of corporate structure and international corporate and financial relationships.

G. Black listing

1. Analysis of the political ties, business activities and economic interests in business firms in neutral countries as

they related the opposing power. Significance of their transactions

2. Determination of their economic and political importance to the neutral countries involved

H. Strategic bombing or attack by land and naval forces

Selection of industrial, agricultural and transportation targets on basis of their importance to the economy, their role in the war effort and general vulnerability calls for a rather thorough analysis of the whole body of information of common concern to various studies of vulnerability (Section 1 above)

I. Financial measures

This would include attempts to dislocate the enemy economy through manipulation of exchange markets, dumping of counterfeit currency to promote inflation, etc. Specific production requirements must be prepared for each financial measure, but in general these requirements would encompass an analysis of imbalances or weak aspects of the financial structure and the probable trends in domestic finance, foreign exchange and prices

J. Other measures

The foregoing list covers the major categories of economic operations, but is not exclusive of other measures aimed at the attrition of an enemy's economy. Economic intelligence relating to these measures would consist of extensions of the general analysis indicated in Section 1 above with particular reference to the requirements of each specific measure